
Naval Facilities Engineering Command

Presentation for Admiral Vern Clark, USN Chief of Naval Operations

RADM Michael R. Johnson
***Commander, Naval Facilities Engineering Command
& Chief of Civil Engineers***

11 July 2003

NAVFAC's Mission

- **We are DoN's facilities, installation & contingency engineers**
 - **We serve the Navy & Marine Corps Combat Team, Unified Commanders, DoD and other federal agencies**
 - **We plan and deliver innovative, best value, technology leveraged solutions and alternatives that enable our clients to accomplish their mission**



NAVFAC Products & Services By Business Line

- **Capital Improvements**
 - Construction
 - Design A&E
 - Design In-House
 - Specialized Technical Services
 - Ocean Engineering
- **Environmental**
 - Environmental Planning/NEPA
 - Environmental Compliance & Conservation
 - Environmental Restoration
- **Base Development**
 - Facility Planning
 - Program Development
- **Base Operating Support**
 - CESE Mgt/WHE
 - Services
 - Utilities/Energy
 - Facility Mgt and Engineering Services
 - FSC Technical/Program Mgt
 - Base Caretaker
- **Housing**
 - Housing Program Mgt (FH/BH)
- **Real Estate**
 - Real Estate
- **Contingency Engineering**
 - Contingency Engineering/Mil Ops

AT/FP Program

ATFP Products & Services in Capital Imps, Base Dev, and Contingency Engineering





315 Deliverables

Takeaway

Full Engineering Services for USN/USMC Support



Constraints

- **Fluctuating program funding levels** 
- **Contracting imperatives** 
- **Overlapping procurement authority** 
- **OPM civilian personnel requirements** 



NAVFAC Command Structure

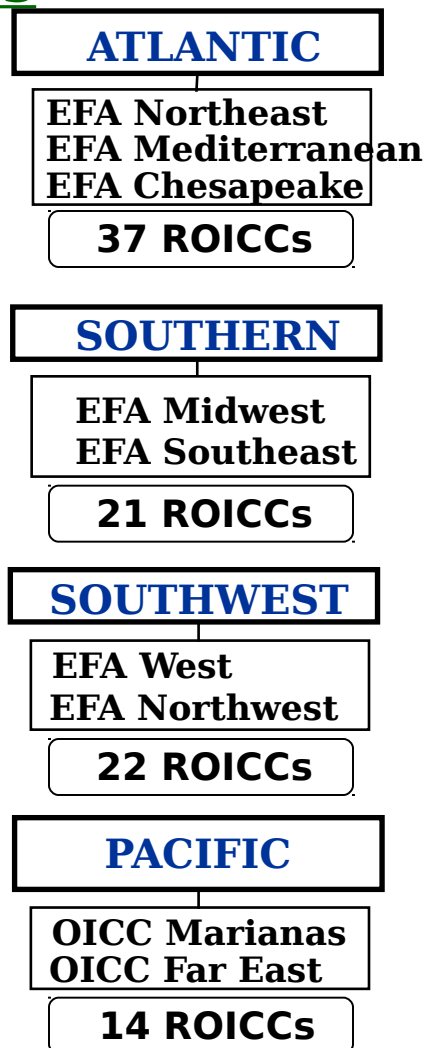
Headquarters

*Eng Field Divisions Specialty
Activities / OICCs Centers*

*Public Works
Centers*

NAVFAC Business Lines

Agency Engineering
Environmental
Housing
Real Estate
Base Development
Capital Improvements
Base Operations
Support Acquisition
Financial Management
Information Officer
Chief Engineer
Counsel



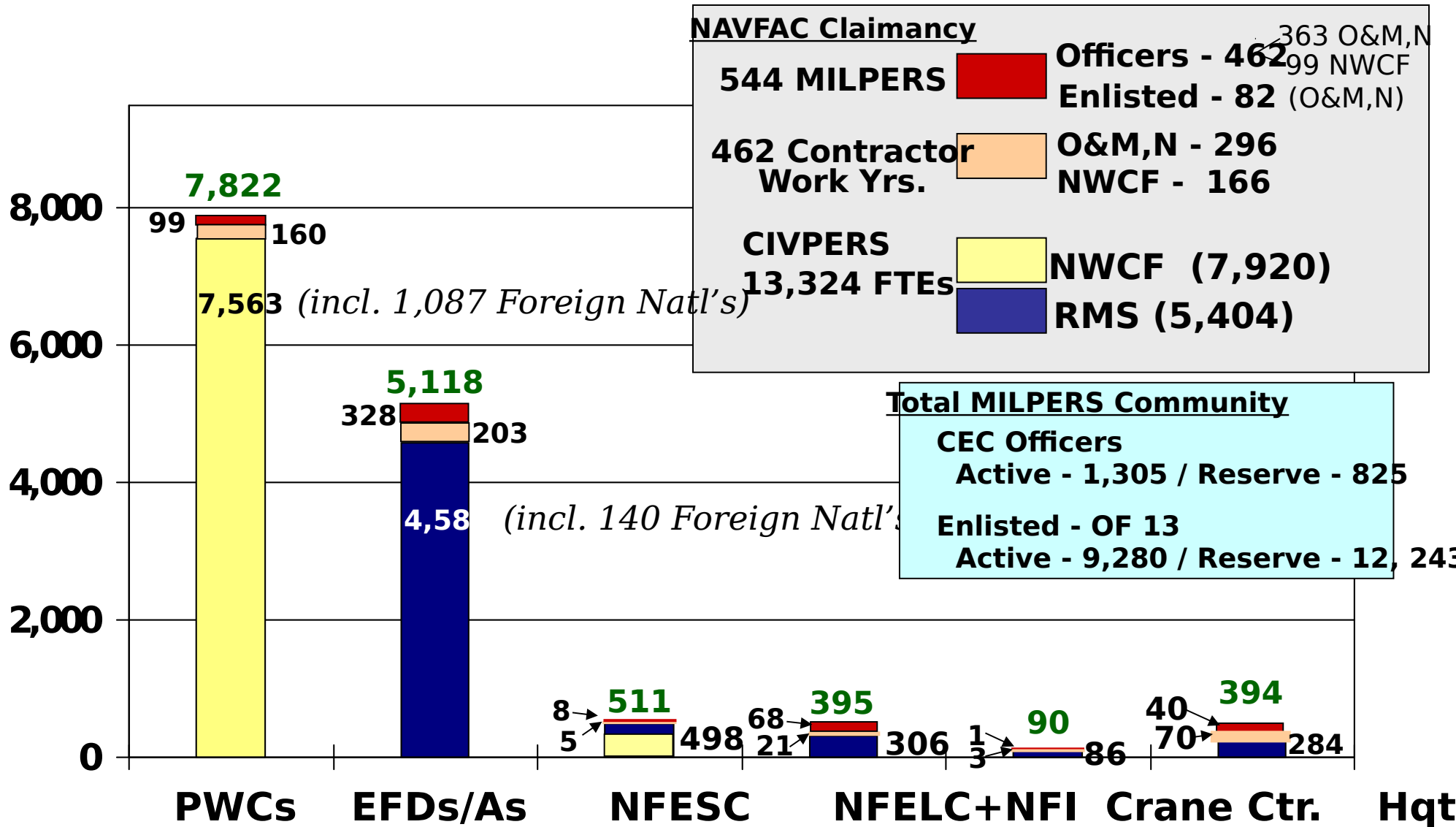
(Fiscal & Technical Authority)





Billet Base - Where our people are...

5. Internal / external associated billet base

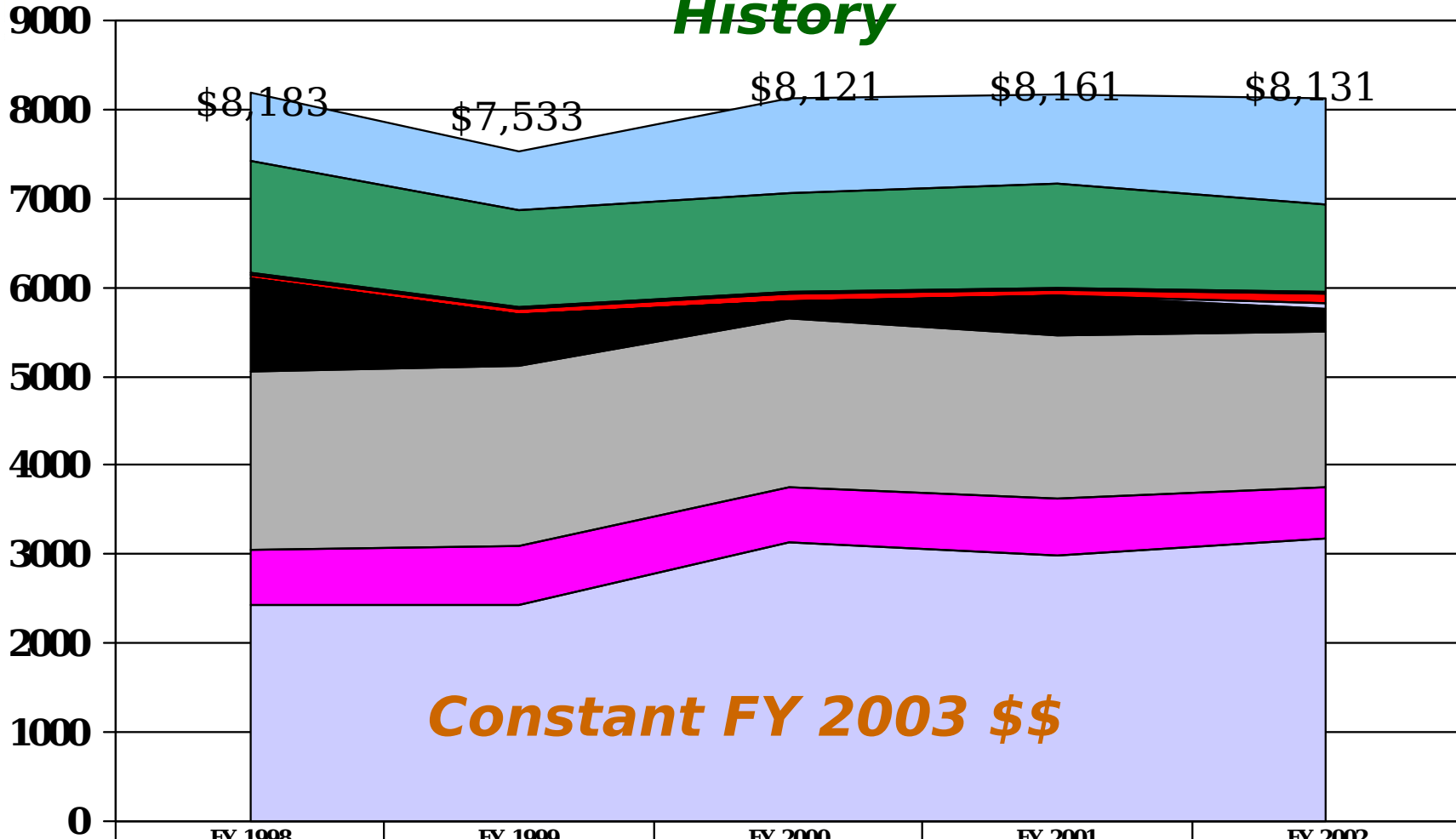




NAVFAC Program Budget Trend - Five Year History

6. Budget trend

\$ in Millions



	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002
MCON/R	770	668	1053	995	1208
FH	1245	1090	1122	1173	971
RDIE	21	24	23	29	20
OPN	53	59	71	62	106
ERF,D				3	68
BRAC	1046	580	205	436	250
NWCF	1998	2019	1893	1844	1755
O&M,N/R	613	656	613	629	580
Indirect Funds	2437	2437	3141	2990	3173



Return on Investment (ROI)

NAVFAC

- **Using the \$\$ CNO invests in NAVFAC**

we...

- **Produce best value facilities engineering products and services for the Fleet**
- **Achieve higher quality / faster delivery times**
- **Reduce product and delivery costs**
- **Develop cost avoidance strategies**
- **Leverage “other people’s” \$\$**

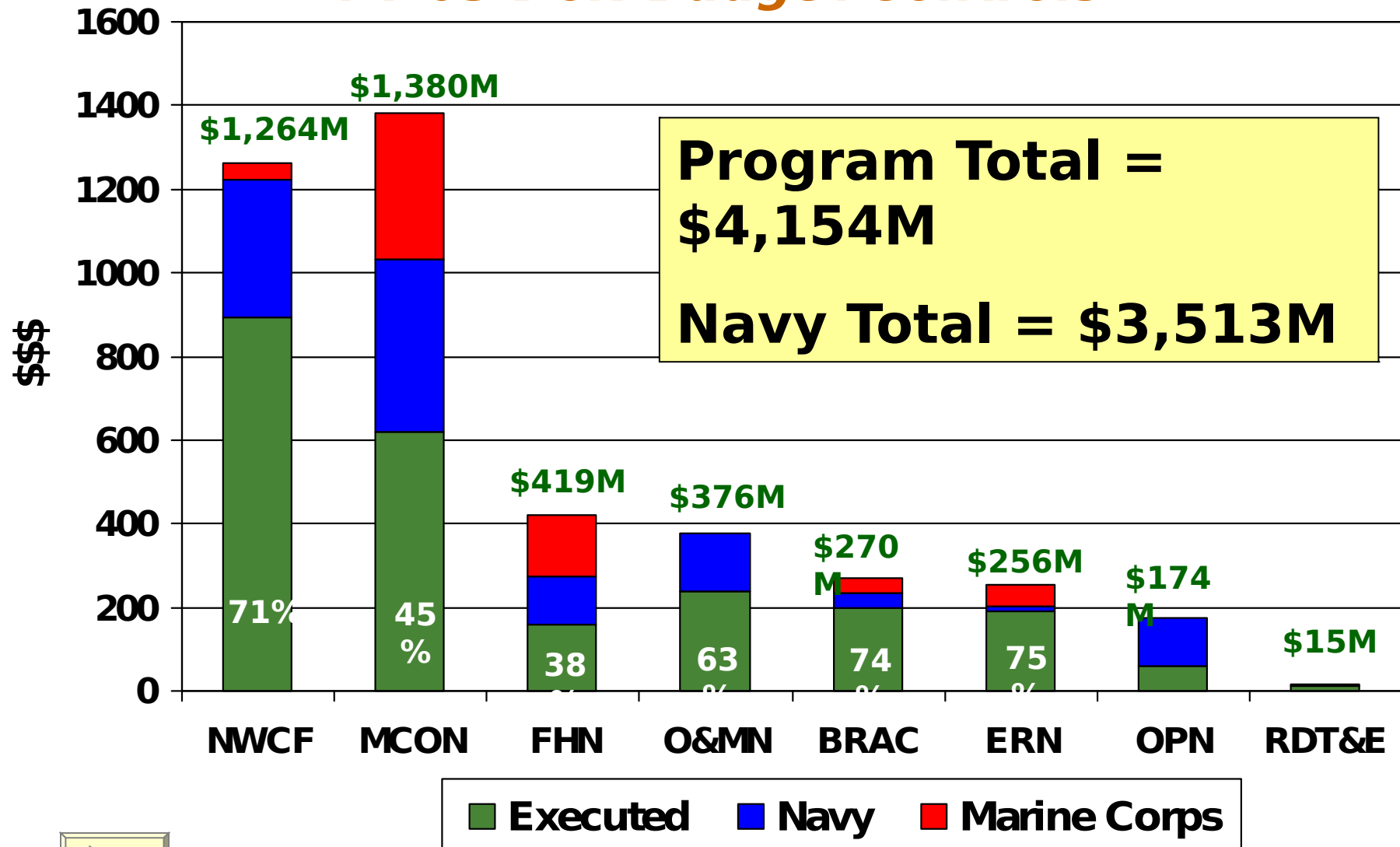
ROI by NAVFAC Business Lines





NAVFAC FY03 Program Budget Execution









FY 03 DoN Budget Controls





Program Execution by Business/Support Lines

Business Lines

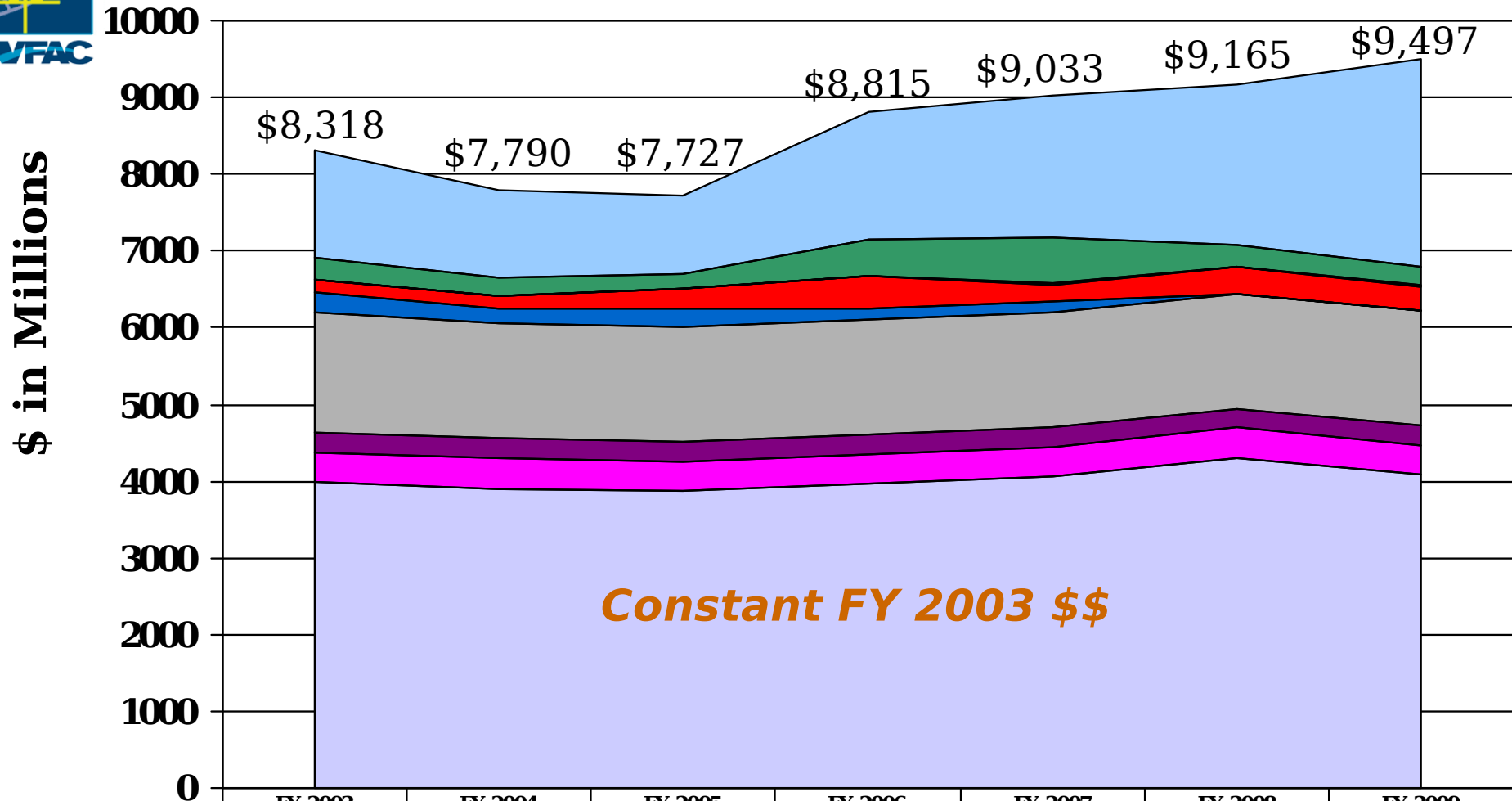
- Contingency Engineering - O&M,N 
- Environmental - BRAC Clean-up, environmental re ration
- Housing - Public/Private ventures
- Real Estate - BRAC base disposal 
- Base Development - Regional planning 
- Capital Improvements - Military construction, demolition
- Base Operations - Utilities privatization, thermal  revenues
- Acquisition  Small & disadvantaged business utilization
- Financial Management - Operating efficiency, effort 

Support Lines





NAVFAC Program Budget - FYDP Forecast



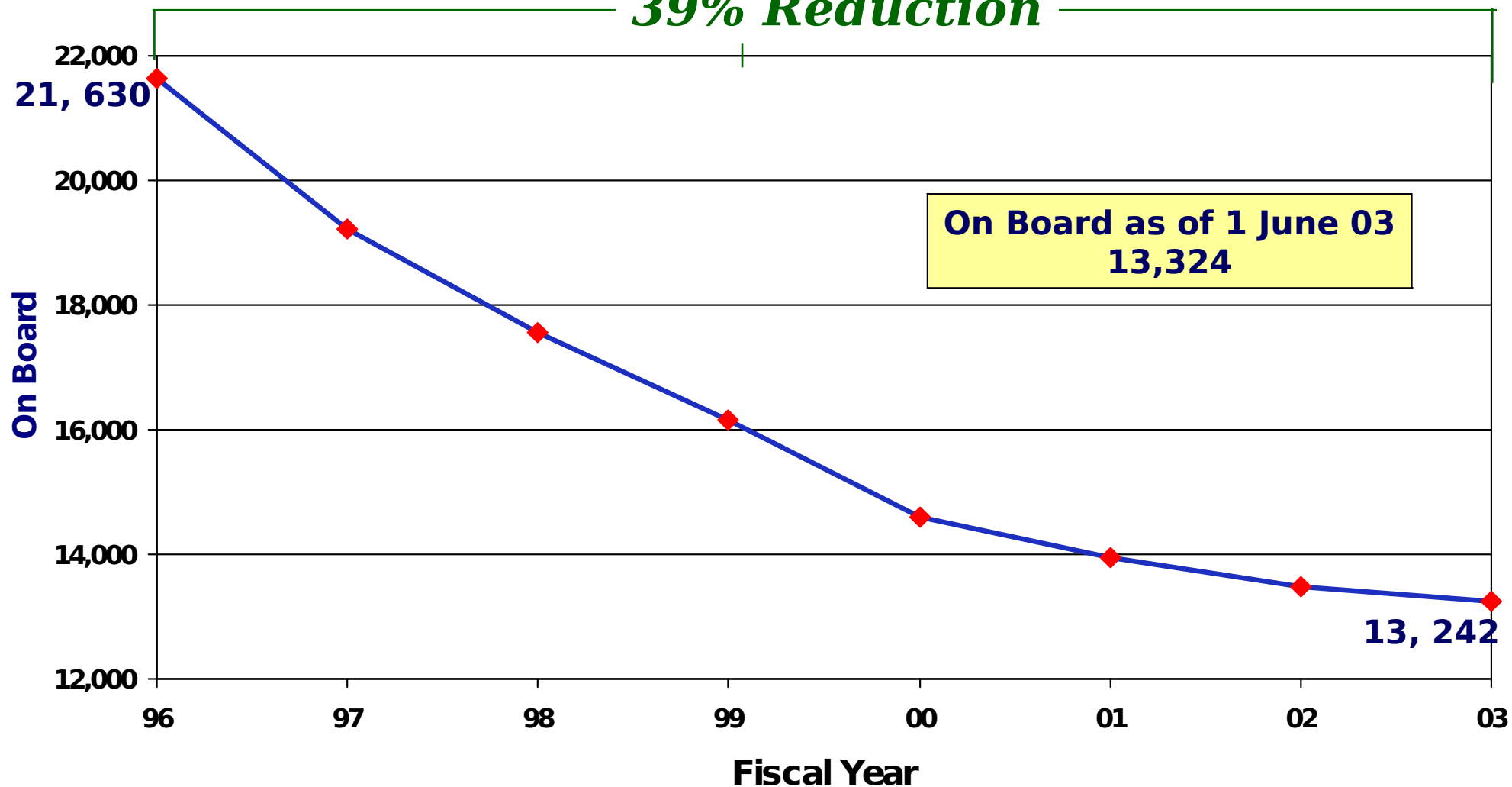
	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
■ MCON/R	1414	1143	1034	1676	1867	2092	2702
■ FH	268	226	181	462	594	277	250
■ RDIE	15	5	8	9	10	10	10
■ OPN	161	162	261	417	230	341	310
■ BRAC	270	195	239	143	140		
■ NWCF	1560	1510	1495	1494	1494	1494	1494
■ ERN	256	244	252	258	256	258	259
■ O&M,N/R	392	398	388	384	386	386	378
■ Indirect Funds	3982	3907	3869	3972	4056	4307	4094



NAVFAC CIVPERS Staffing Trends

FY 96 - 03

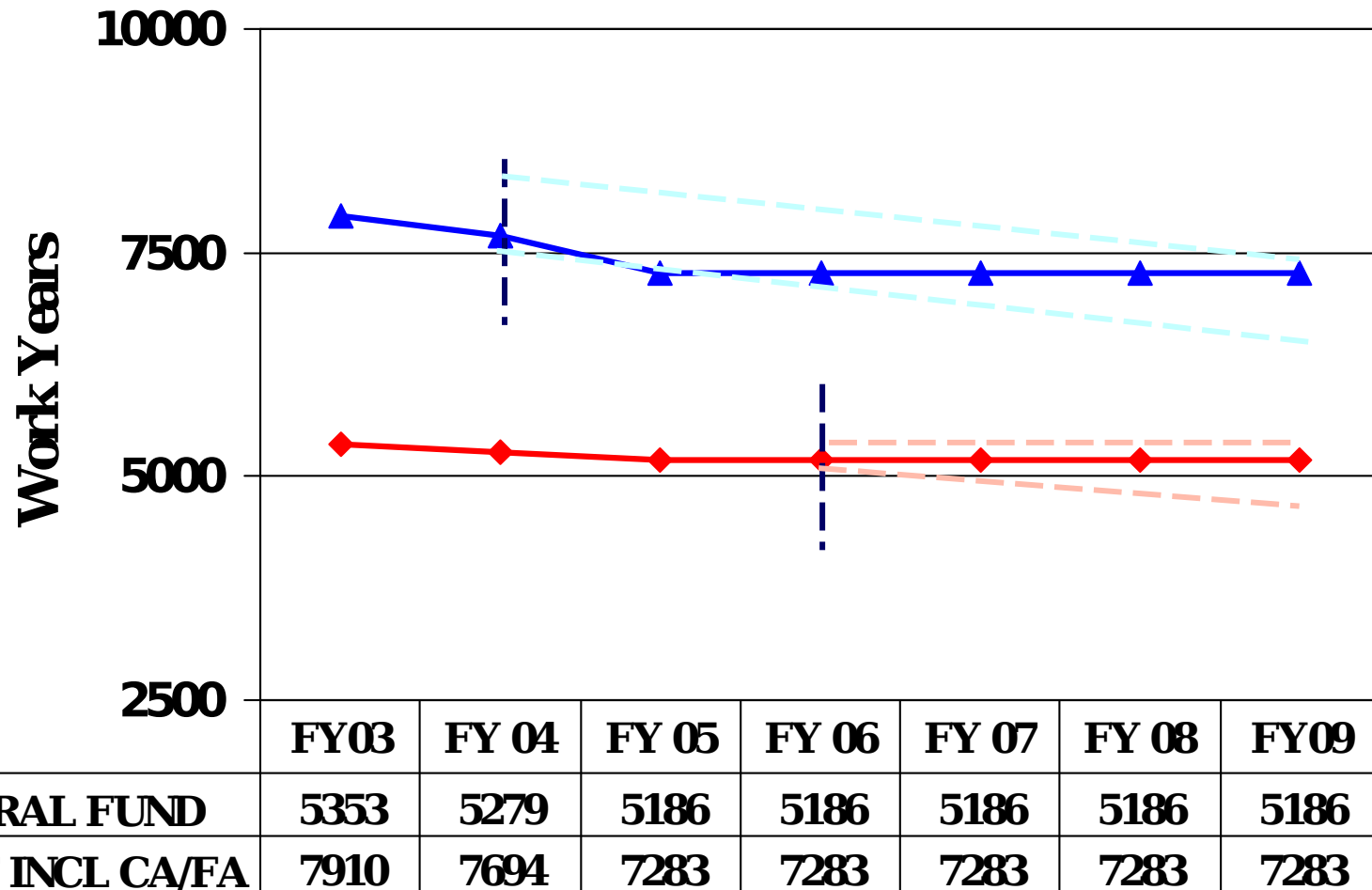
39% Reduction





NAVFAC Civilian Workyears

NWCF vs. General Fund (Across the FYDP)



CA/FA NWCF FTE Savings phased in across the FYDP (FY 04-FY09).



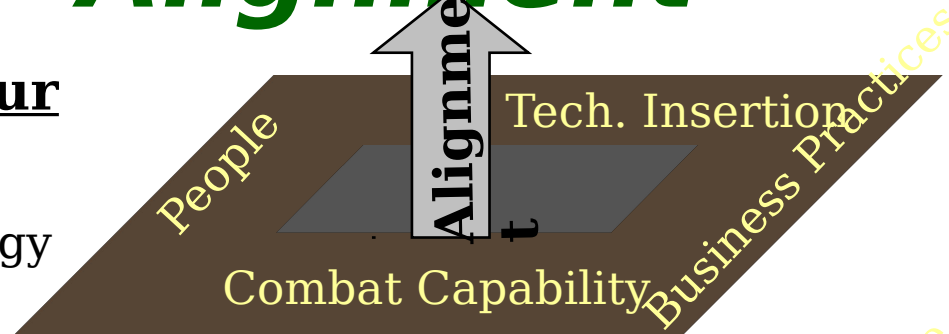


Strategic Alignment

13. Future Mission Plan

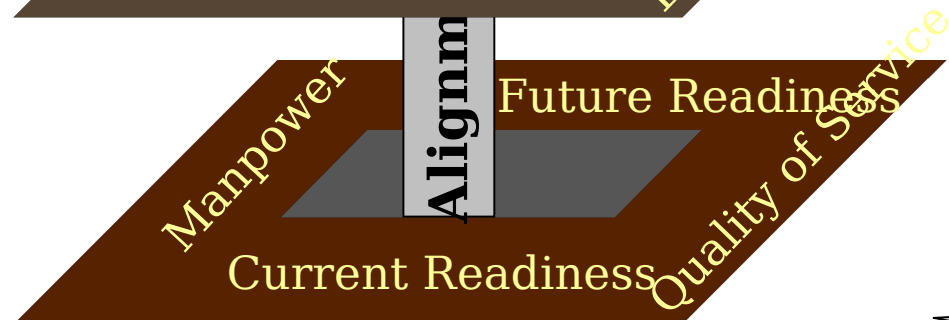
SECNAV's Top Four

- People
- Combat Capability
- Advanced Technology
- Business Practices



CNO's Top Five

- Manpower
- Current Readiness
- Future Readiness
- Quality of Service
- Alignment



The Chief's Top Five

- Community Management
- Interdependence
- Alliances
- Quality of Service
- Alignment



NAVFAC Strategic Plan

- People
- Innovation
- Clients
- Operations



Web Based





SRT: Facility Support Contracts - Consolidated Standardized

Current Status

- Contract specifications are highly prescriptive
- Heavy QAE/FSCM inspection effort
- Base level delivery
- Many individual contract actions
- No standard service levels in current contracts (standard service levels developed by Facilities IPT in FY-02)
- Contractors are incentivized by award-fee

Proposed Action

- Use performance-based contracts
- Reduce DON QAE/FSCM support
- Regional vice base level delivery contracts
- Reduce PCO/ACO cost by reducing transactions
- Standardize service levels (completed in FY-02)
- Use award-option incentive vice award-fee
- Use Contract to Budget acq'n strategy (Best Value)

Benefits

- Reduced QAE/FSCM effort
- Fewer contracts to administer
- Reduced costs through use of award-option incentive vice award-fee

Risks

- Loss of QAE/FSCM resulting in loss of contract oversight
- Meeting small business goals
- Regional contracts viewed as "bundling" by SBA
- Leading edge performance-based contract strategies in DoD

Resource Implications

Dollars	FY04	FY05	FY06	FY07	FY08
FY09	FYDP				
(\$M)					
TOTAL					
Contract					
Values(1)	1,369	1,400	1,502	1,594	1,540
1,647	9,052M				
Savings(2)	13.7	14.0	30.0	31.8	77.0
82.0	248.5 M				

Notes:

(1) DON FSC contract workload values

(2) Net Navy & USMC Savings





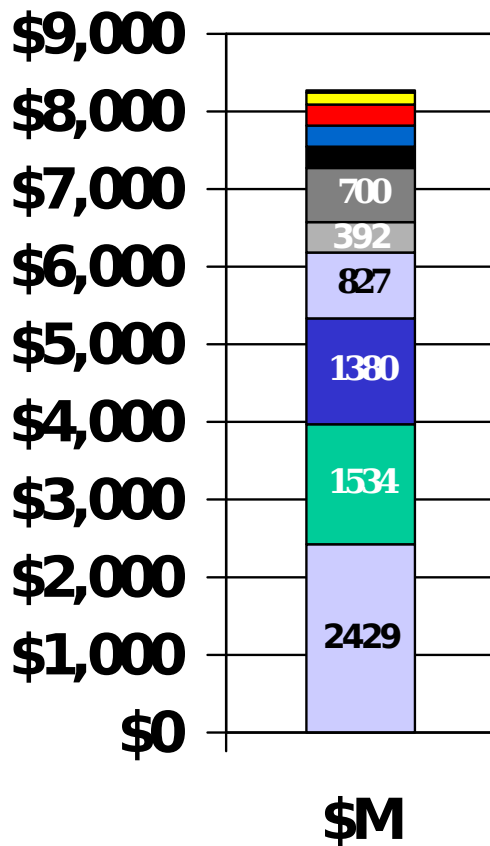
Chief of Civil Engineers

- **TFE 5 Vector Model**
- **Enlisted**
- **Officers**
- **Civilians**
- **Facilities Team Survey (FacTS)**





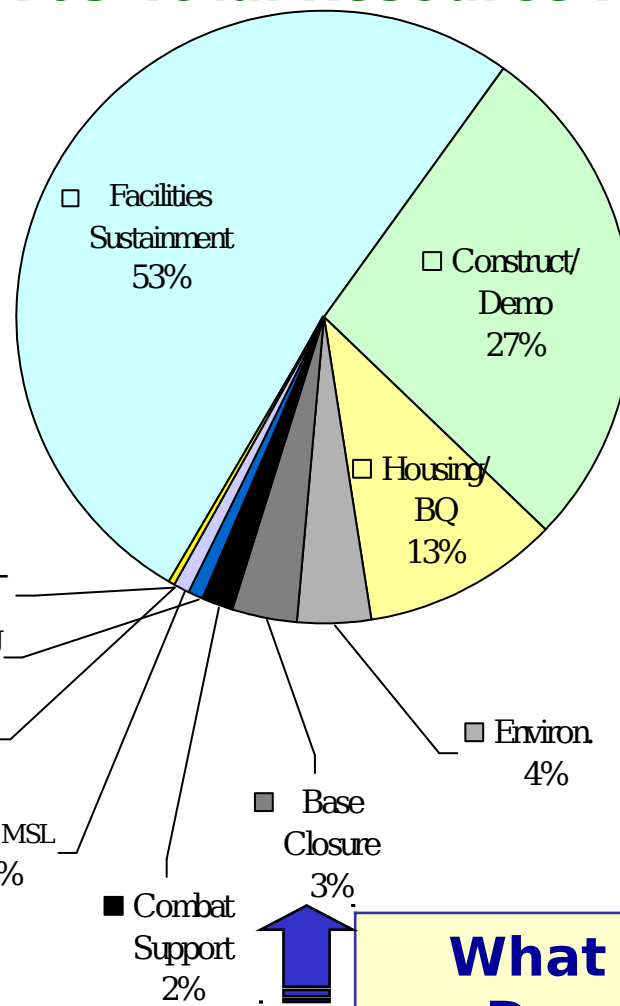
Where It's From



\$8.3B

NAVFAC

FY03 Total Resource Flow



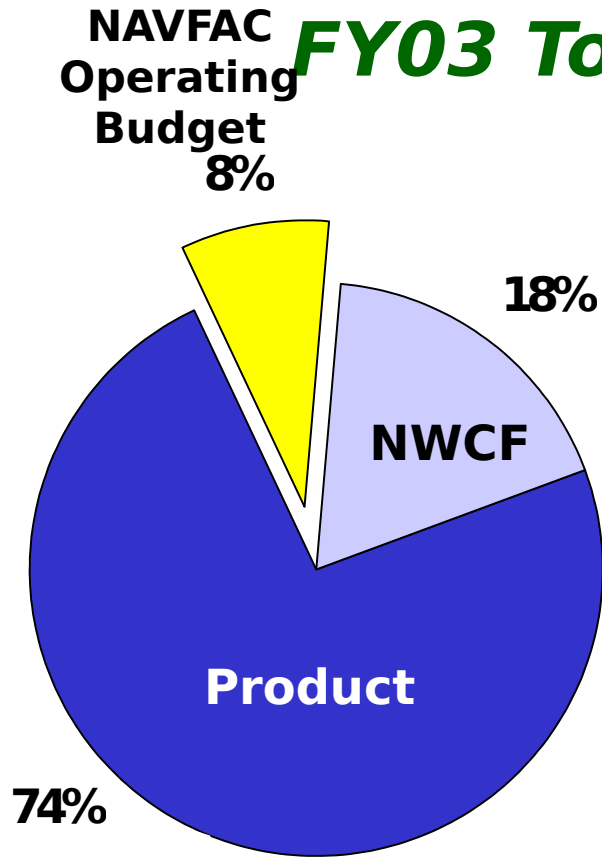
What It

Where It Goes

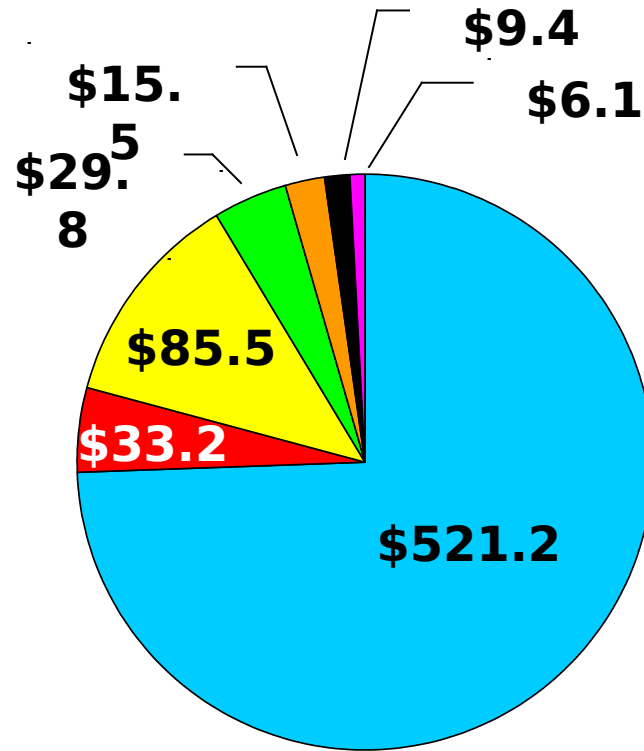
Personnel	Payments to Other DON	Payments to Other Gov't	Travel & Transportation	Contract Services	Consumable Purchases	Durable Goods / Equipment	Lands & Structures
\$944	\$46	\$86	\$45	\$2,763	\$556	\$266	\$3,529



NAVFACENGCOM FY03 Total Resource Flow



**PROGRAM TOTAL:
\$8.3 Billion**



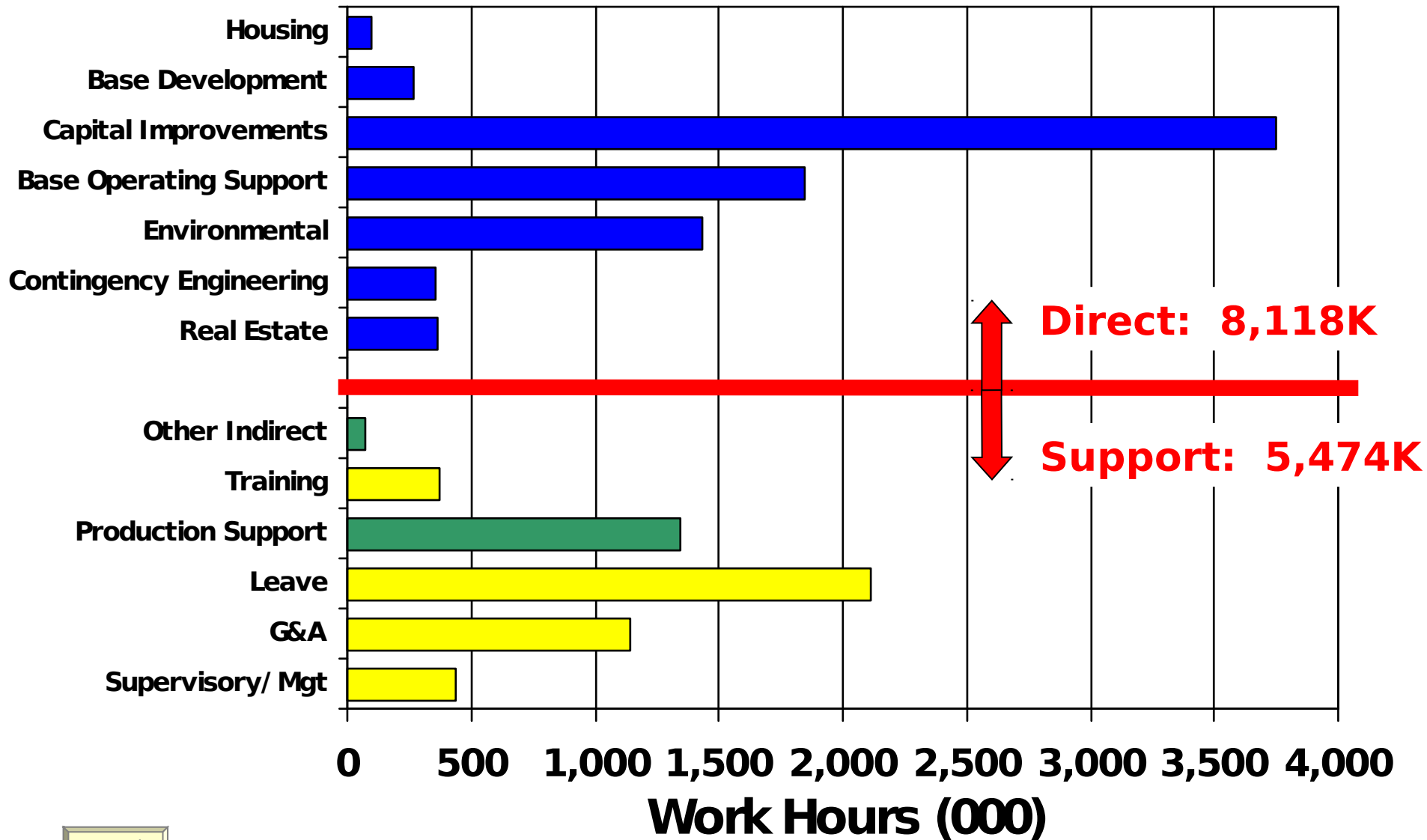
NAVFAC Operating Budget: \$700.7 Million

Where It Goes (\$ Million)

Capital Improvements	Environmental	Base Development	Base Operating Support	Contingency Engineering	Real Estate	Housing
\$2,227	\$294	\$27	\$4,340	\$253	\$287	\$843

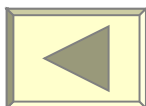


NAVFAC Business & Support Lines FY-03 Work Hour Distribution



TOTAL: 13.59 Million Hours

11 July 2003





Fluctuations in SRM/OBOS

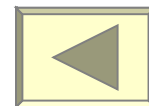
- **The Acquisition Management requirement is workload driven and should be a direct derivative of OBOS and SRM**
 - Navy adjusts these model programs after Acquisition Management requirement is derived
 - should be simultaneous.
 - Congress continually adds to SRM, and its execution needs to be financed.
 - The “timing” of resources during execution is difficult when “placement of product” dollars are impacted by CRAs, deferrals, etc.





Contracting Imperatives

- **Socio-economic programs that establish goals for contracting with targeted groups may conflict with mission focus.**
- **Bundling prohibitions limit the ability to combine requirements for efficiency.**
- **Competition in Contracting Act limits the ability to restrict competition for efficiency.**
- **Labor laws that establish minimum wage and fringe benefit rates create reporting and compliance burdens.**
- **Protest regulations that allow contractors to challenge award decisions introduce excessive caution, documentation, and oversight.**





Overlapping Procurement Authority

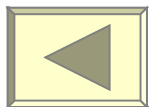
- **Other agencies offer contract services that duplicate NAVFAC's core acquisition mission.**
 - **Defense Logistics Agency**
 - **General Services Administration**
 - **Air Force Center for Environmental Excellence**
- **This duplication:**
 - **undermines NAVFAC's ability to help the Navy optimize long-term facilities investments**
 - **compromises the Navy's ability to ensure proper safety and quality standards are achieved**
 - **complicates the contracting environment for industry**
 - **is wasteful if NAVFAC is already mission-funded to acquire the product or service**
- **ASN(RDA) has on-going initiative to limit contracting outside "normal" contracting organization.**





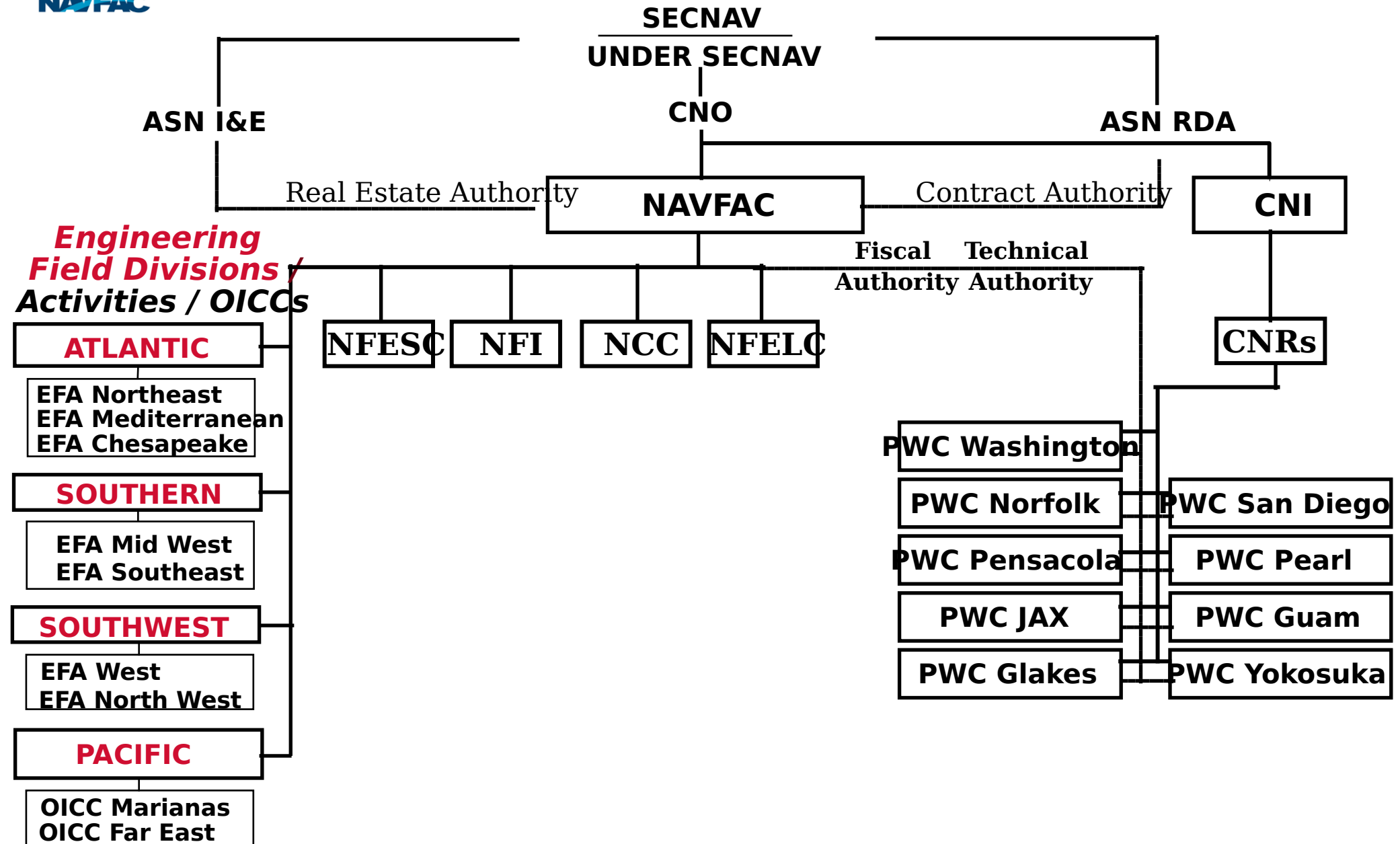
OPM - Civilian Personnel

- **Compensation**
 - Limited under current pay schedules
 - Pending legislation (Pay banding and pay-for-performance)
- **Reduction-In-Force**
 - Cumbersome
 - Last hired; first fired
 - Impacts diversity
 - Expensive
- **Hiring processes**
 - Burdensome and lengthy
 - Discourages potential candidates
- **Local labor negotiations**
 - Time consuming



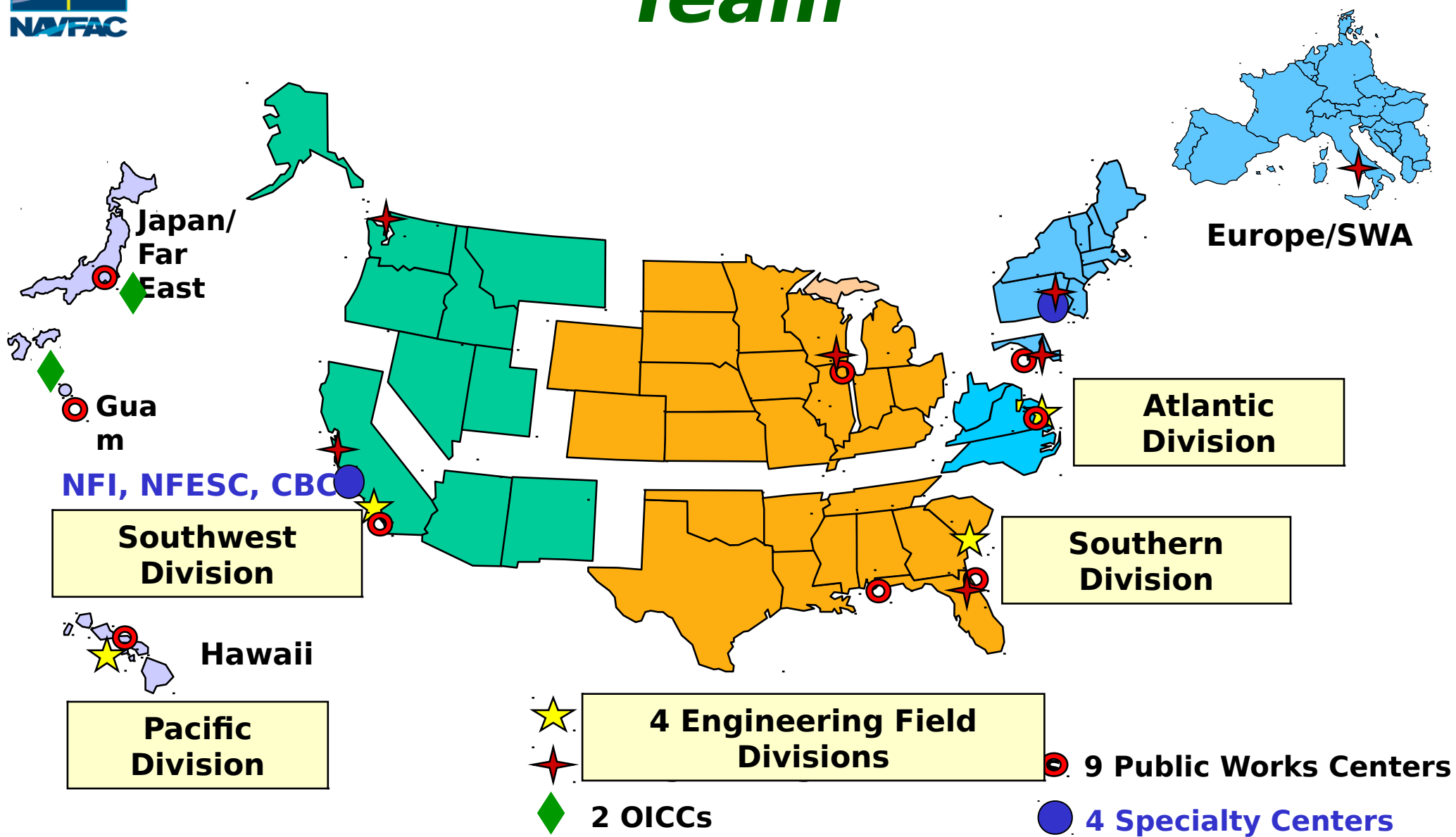


Naval Facilities Engineering Command





A Global Interdependent Team





NAVFAC Integrated Management

NAVFAC ESG

SPC

EFD
Leadership
Council

Facilities
Engineering
Executive Board
(FEEB)

PWC CSG

NCF RPC

NAVFAC Business Lines

Contingency Engineering

Environmental

Housing

Real Estate

Base Development

Capital Improvements

Base Operations

Support

Acquisition

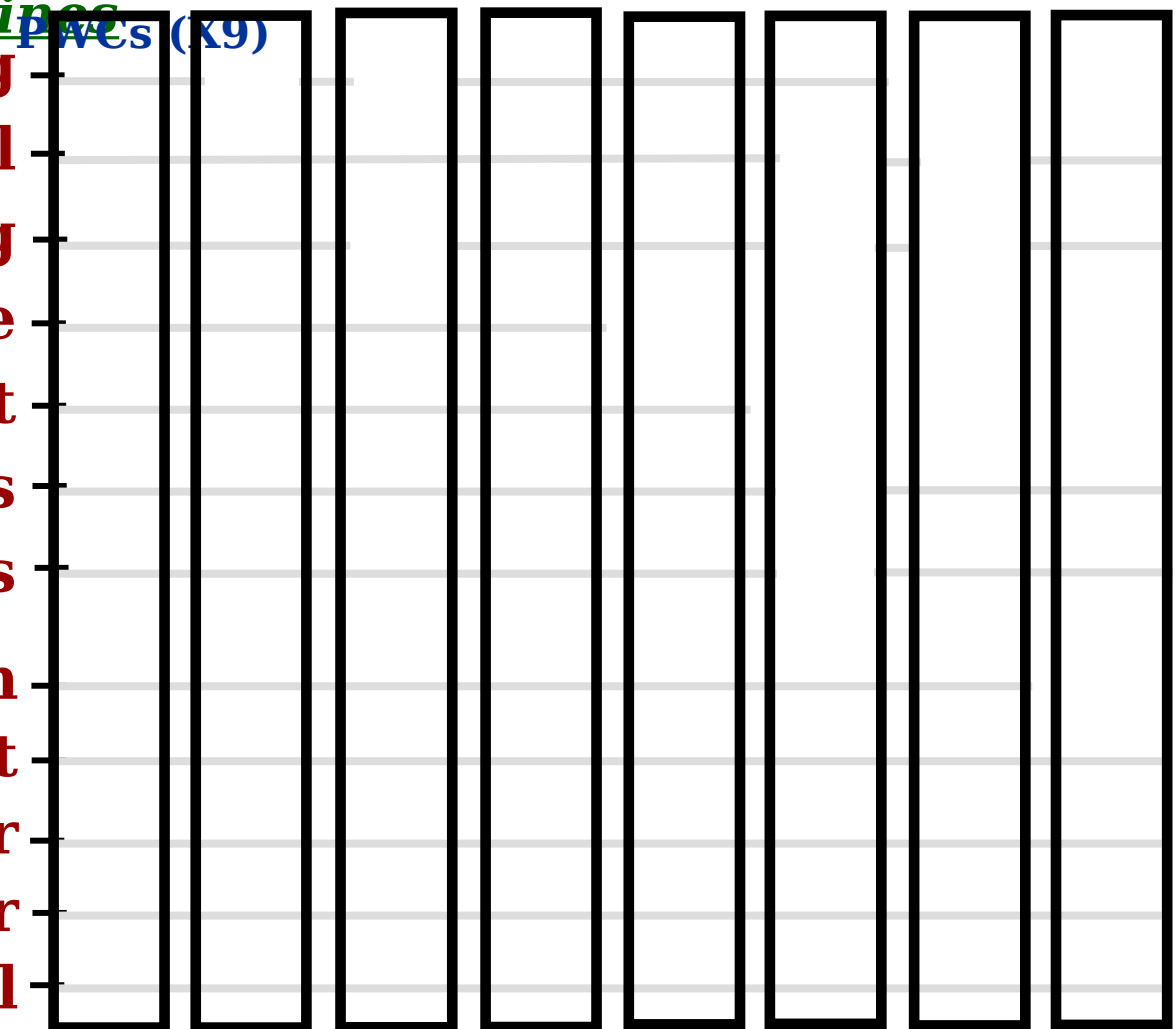
Financial Management

Information Officer

Chief Engineer

Counsel

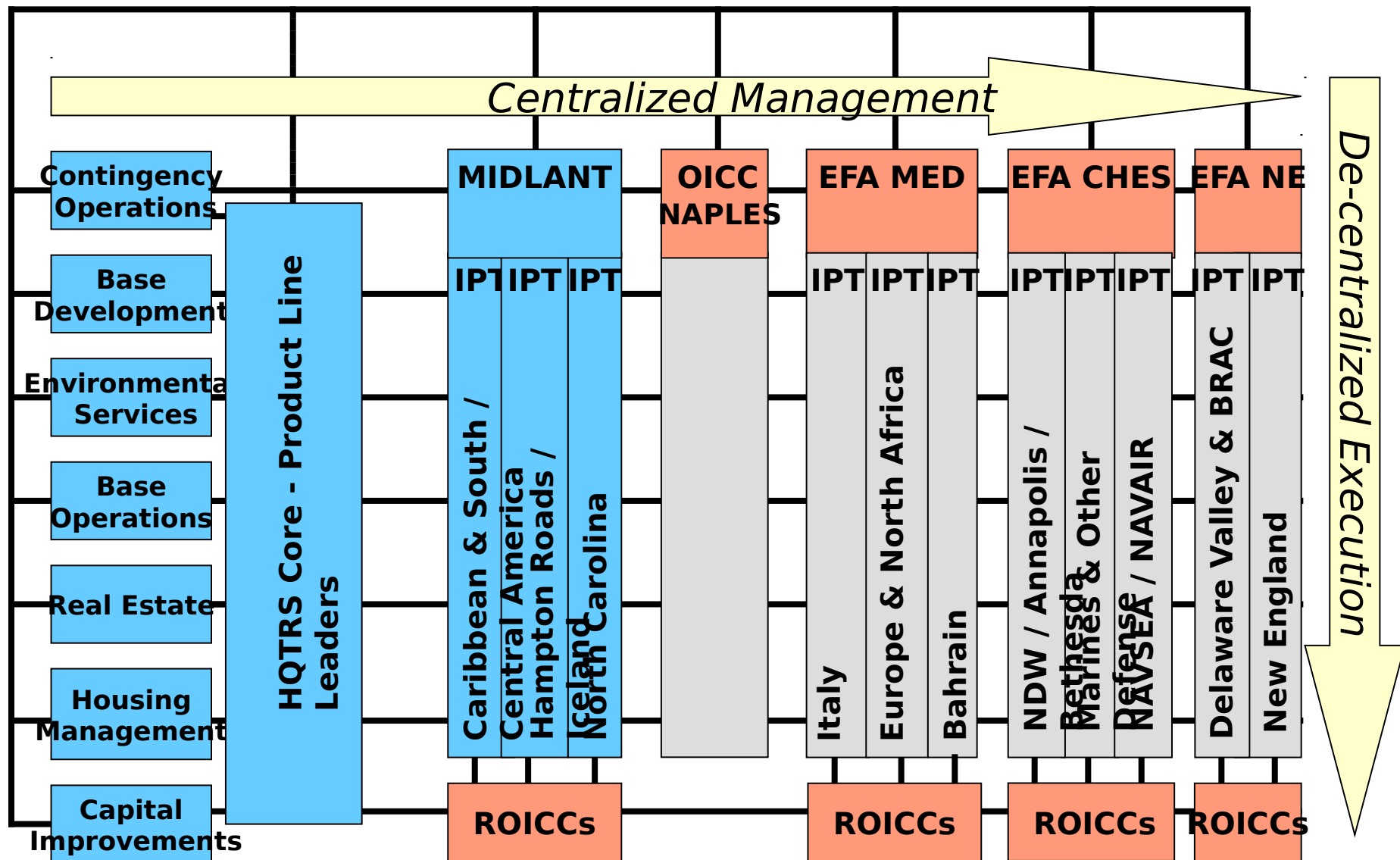
LANT SOUTH SWEST PAC ESC CBC NCC



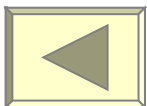
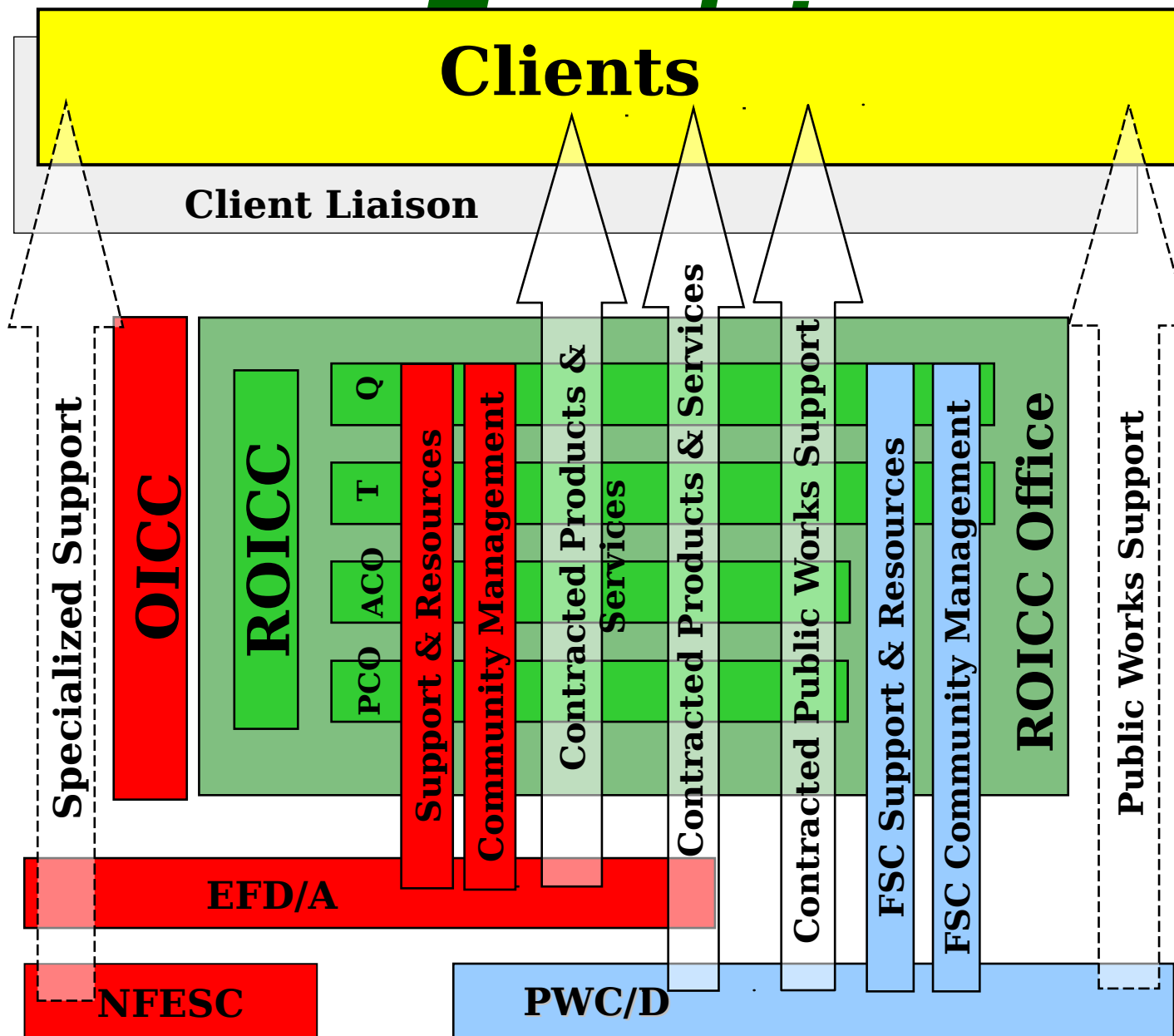


Atlantic Division Matrix Organization

Commander
Vice Commander










ROICC Functional





ROI by Business/Support Lines

Business Lines

- **Contingency Engineering - Improved Seabee readiness, engineering reach-back** 
- **Environmental - Reduced cost to complete cleanups** 
- **Housing - Leveraged purchasing power by expanding Public/Private ventures** 
- **Real Estate - Ford Island development, BRAC savings, enhanced use leasing** 
- **Base Development - Waterfront regional plans identify savings** 
- **Capital Improvements - Faster MILCON execution, faster construction delivery, reduction in changes, reduced litigation** 
- **Base Operations - Reduced energy costs, labor savings through A-76** 

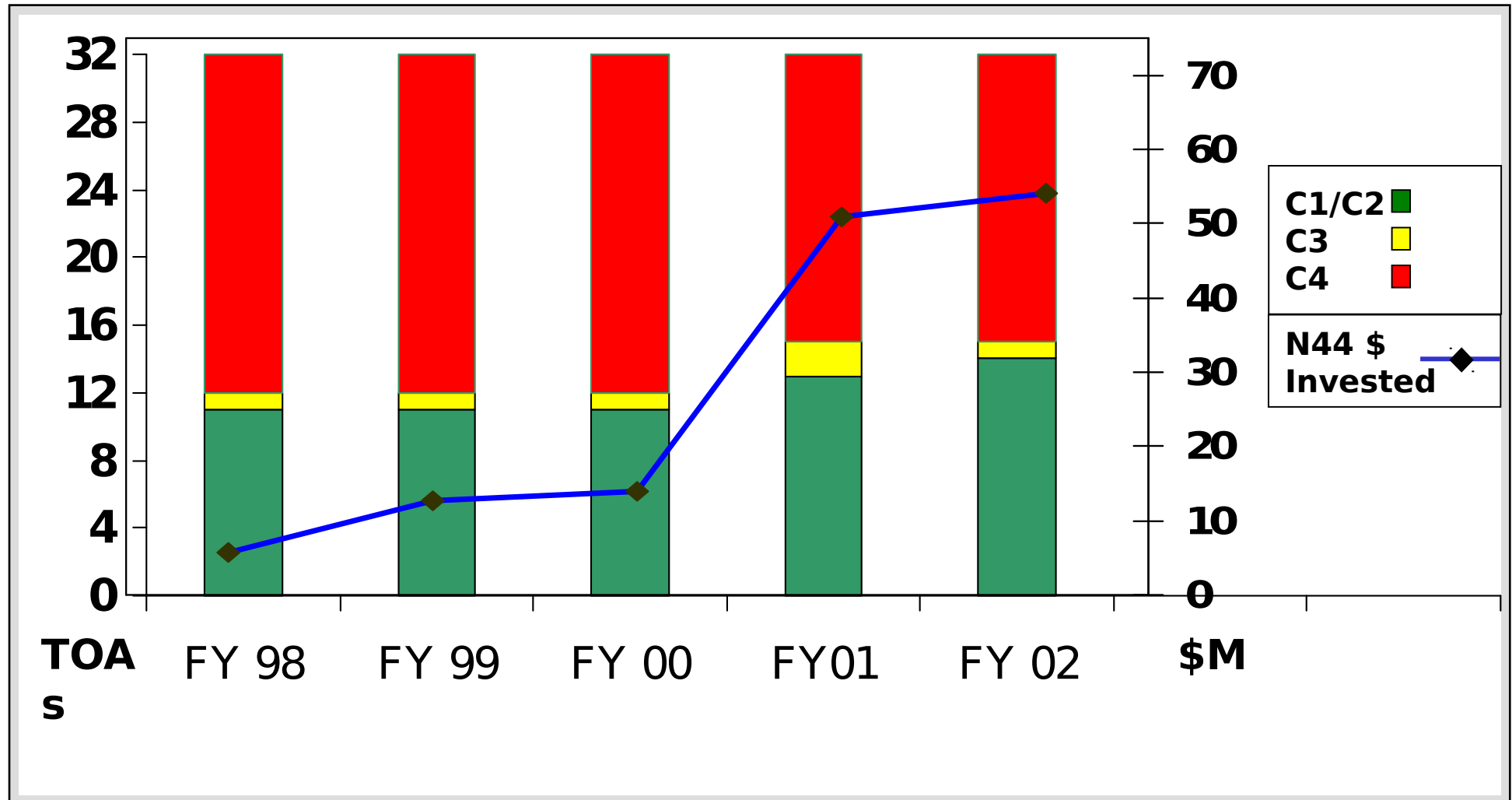
Support Lines

- **Acquisition - Reduced procurement costs through electronic solicitations** 
- **Chief Information Officer - Best of breed IT integration** 





NCF TOA Readiness vs. Resources



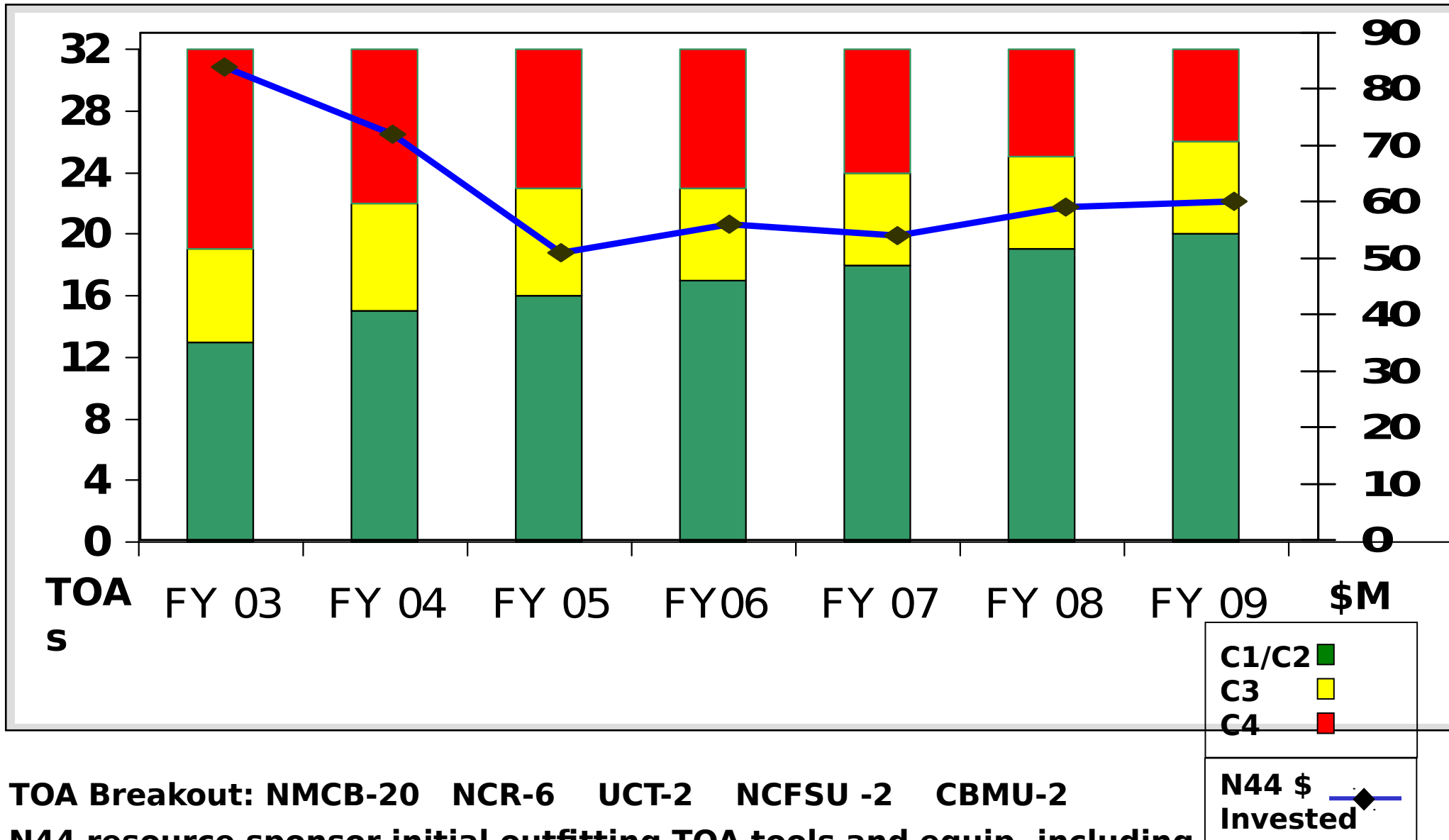
TOA Breakout: NMCB-20 NCR-6 UCT-2 NCFSU -2 CBMU-2

N44 resource sponsor initial outfitting TOA tools and equipment including substitutes

11 July 200



NCF TOA Readiness vs. Resources



11 July 200



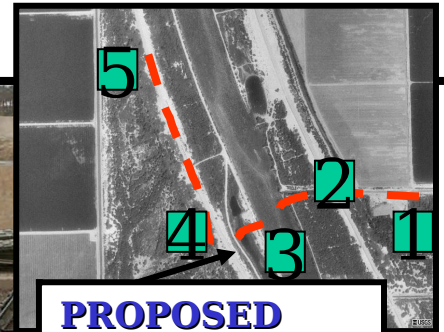
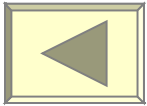
Seabee Engineer Recon Team (SER)



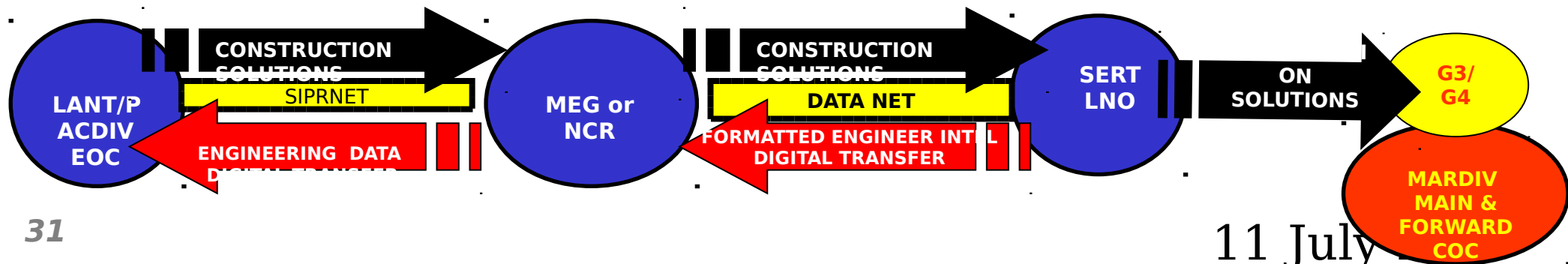
- Self-deployable & integrate into the MAGTF forward elements.
- Independent communications.
- Own force protection.
- Obtain Intel per order.
- Possess all technical skills & competency for required mission.
- Engineering Reach Back capability
- UCT Augment support

CRITICAL TASKS:

- Route survey / trafficability.
- Inspect/classify bridges and road works
- Locate city/CBRN/obstacle bypasses
- Battle Damage Repair.



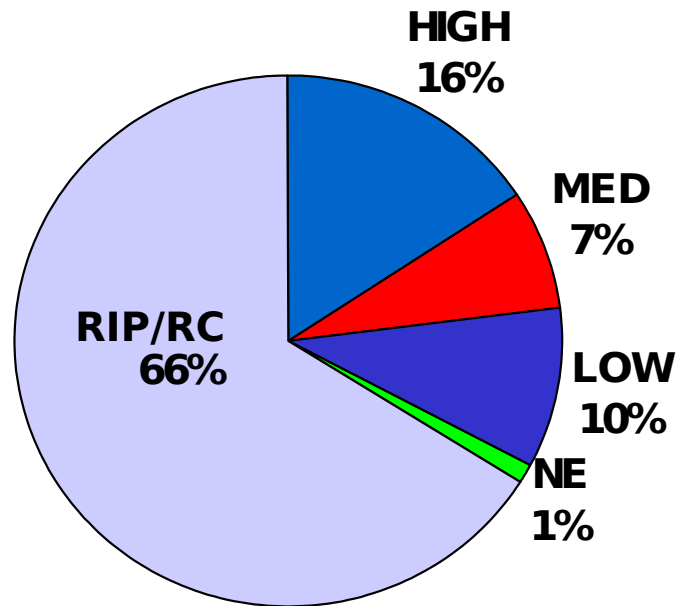
**PROPOSED
CROSSING
SITE**



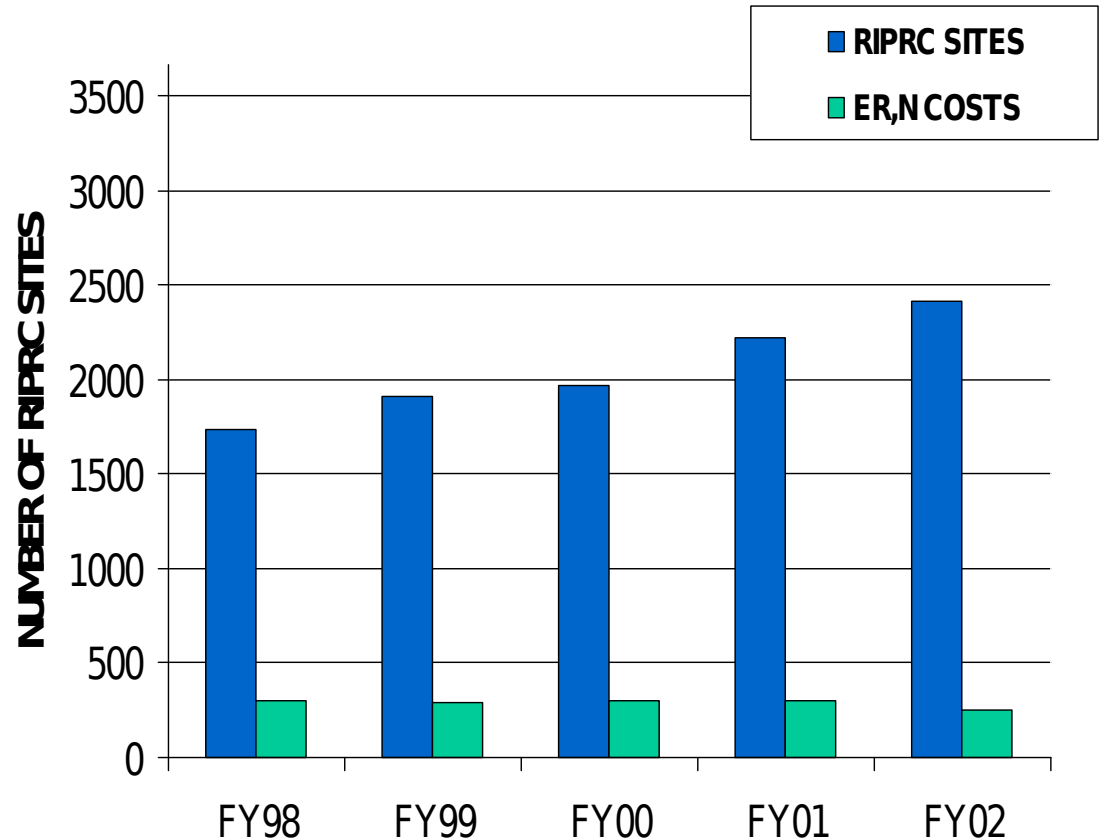


FY98 - FY02 ER,N Return on Investment

PROGRAM ACHIEVES CLEANUP GOAL REQUIREMENT OF 3668 SITES BY EOY 2014



SITE STATUS AS OF EOY02



DOD CLEANUP GOAL=50% HIGH SITES RIP/RC BY

COSTS IN MILLIONS

(FY03 current year

dollars)

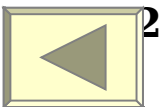
DON ACHIEVED 59%

COST TO COMPLETE FOR

ER,N PROGRAM = \$2.9

BILLION

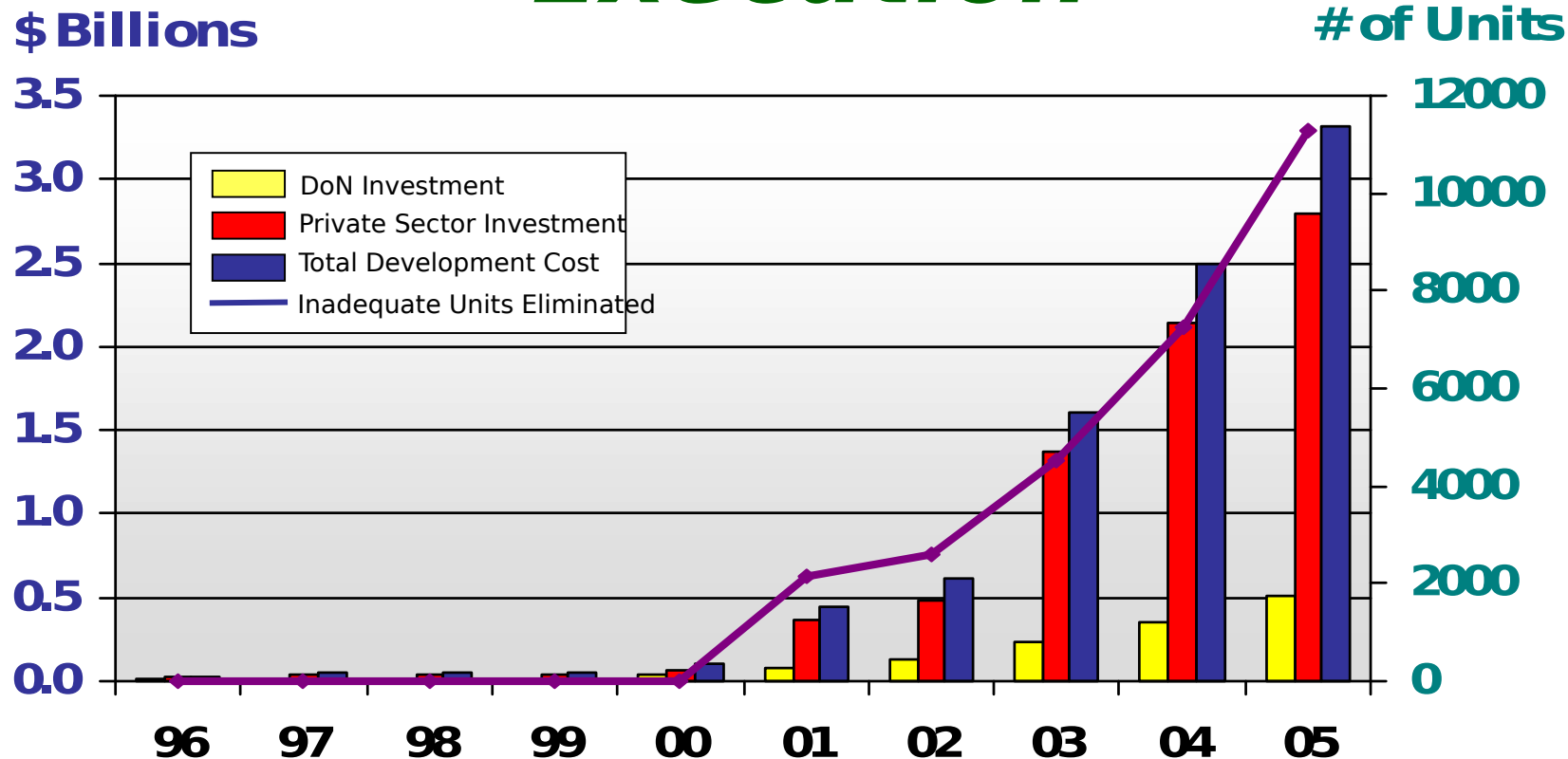
11 July 200



RIPRC = Remedy in
Place or Response
Complete



Privatized Housing Execution



Executed Projects to Date

- 11,500 new and renovated homes
- 5,300 inadequate houses eliminated
- \$1.168 billion Total Development Cost
- \$158 million DoN contribution

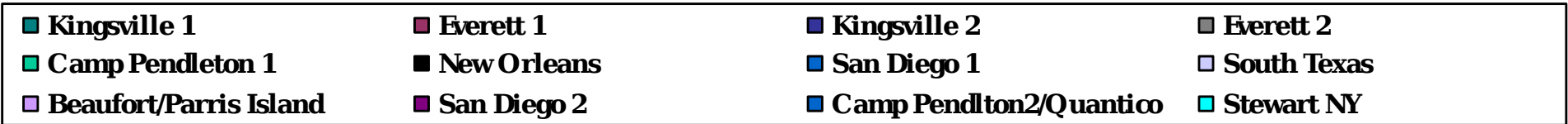
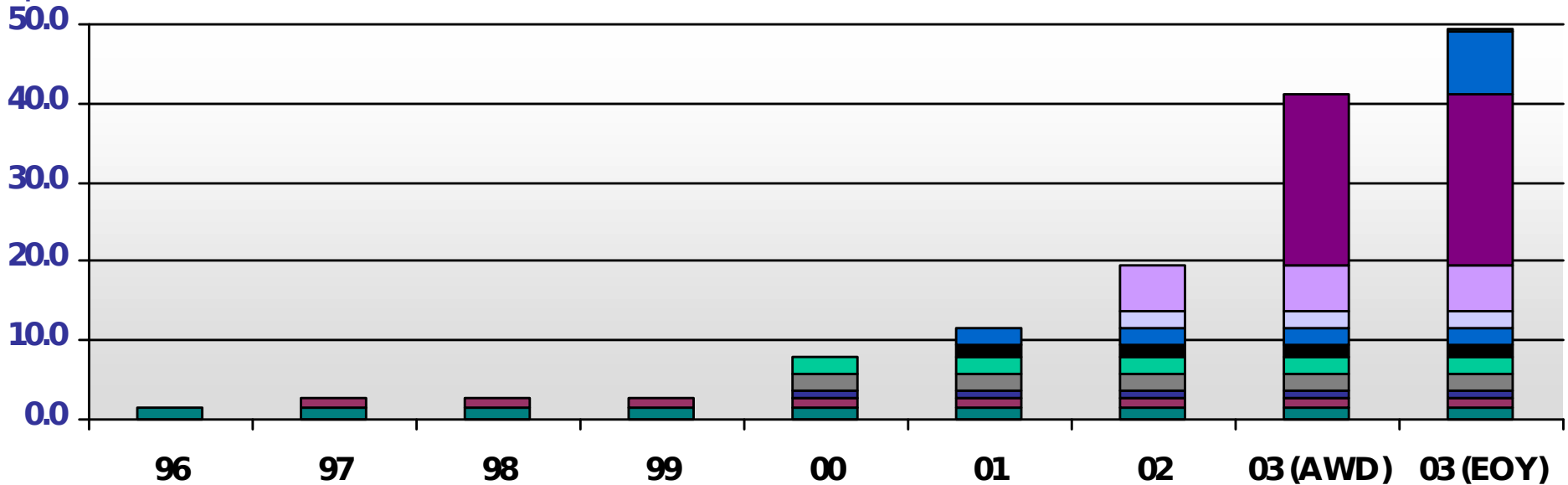
**LEVERAGE
ACHIEVED**

\$1.01 Billion



Privatized Housing - Annual Savings

\$ Millions



PPV Life-Cycle Calculation

- OSD reviews life-cycle costs of two alternatives, privatization and identical MILCON at both the concept and award approval requests
- O&M costs based on industry standard (IREM)
- Includes direct and indirect costs

**SAVINGS
PROJECTED
over 50 Years**

\$940.3

11 July 2000

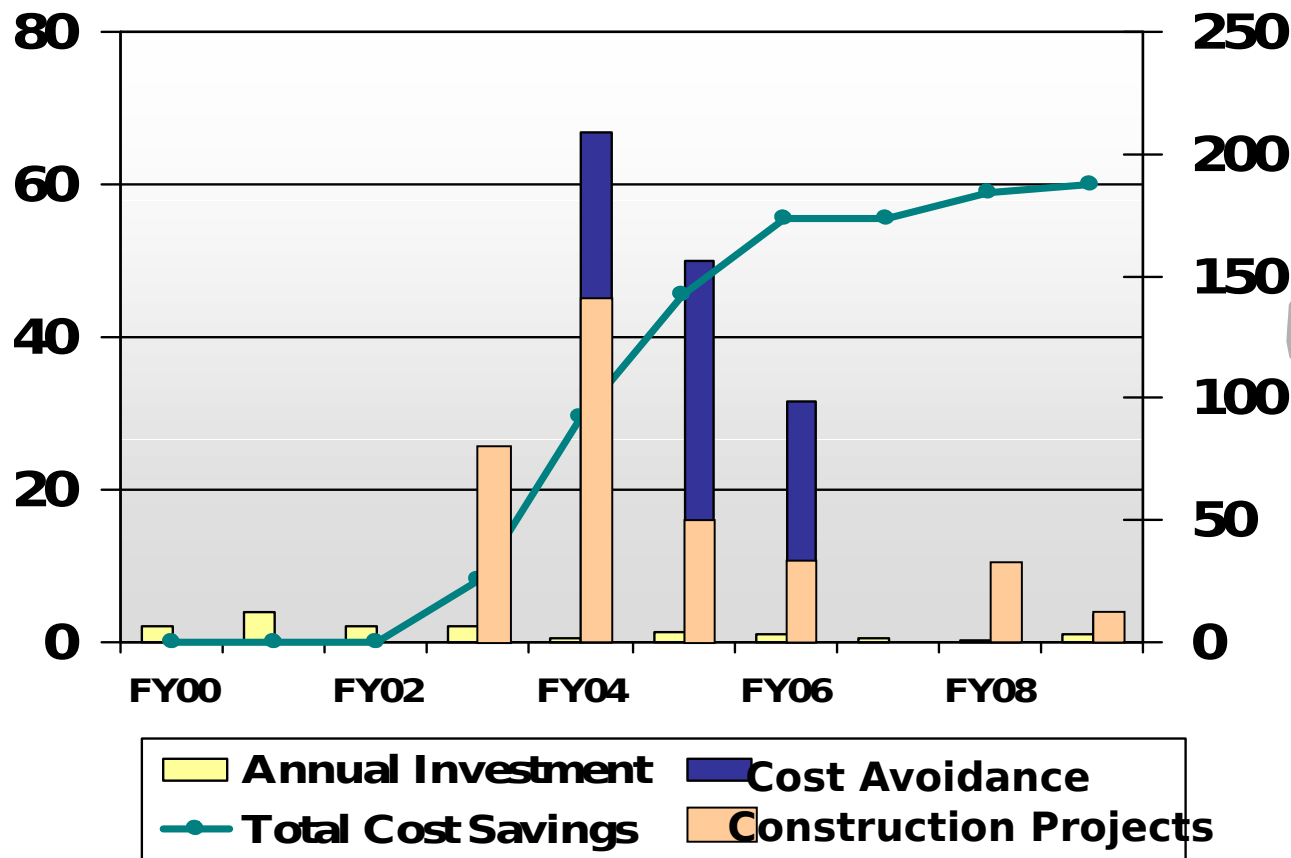




Ford Island Master Development Agreement

Ford Island Investment
And Annual Savings
(Cost avoidance & construction projects)
\$ Millions

Cumulative
Cost Savings
\$ Millions



Present Value of 20 Year
Net Cost Savings: \$180M
Leverage Achieved: 13:1

Note: Excess property would traditionally have been disposed of via GSA with no return to the Navy

Investment in FY00-03 includes P&D costs; construction oversight included in

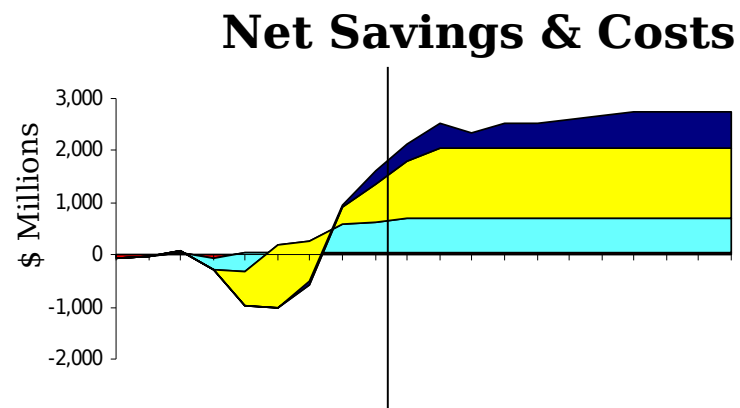
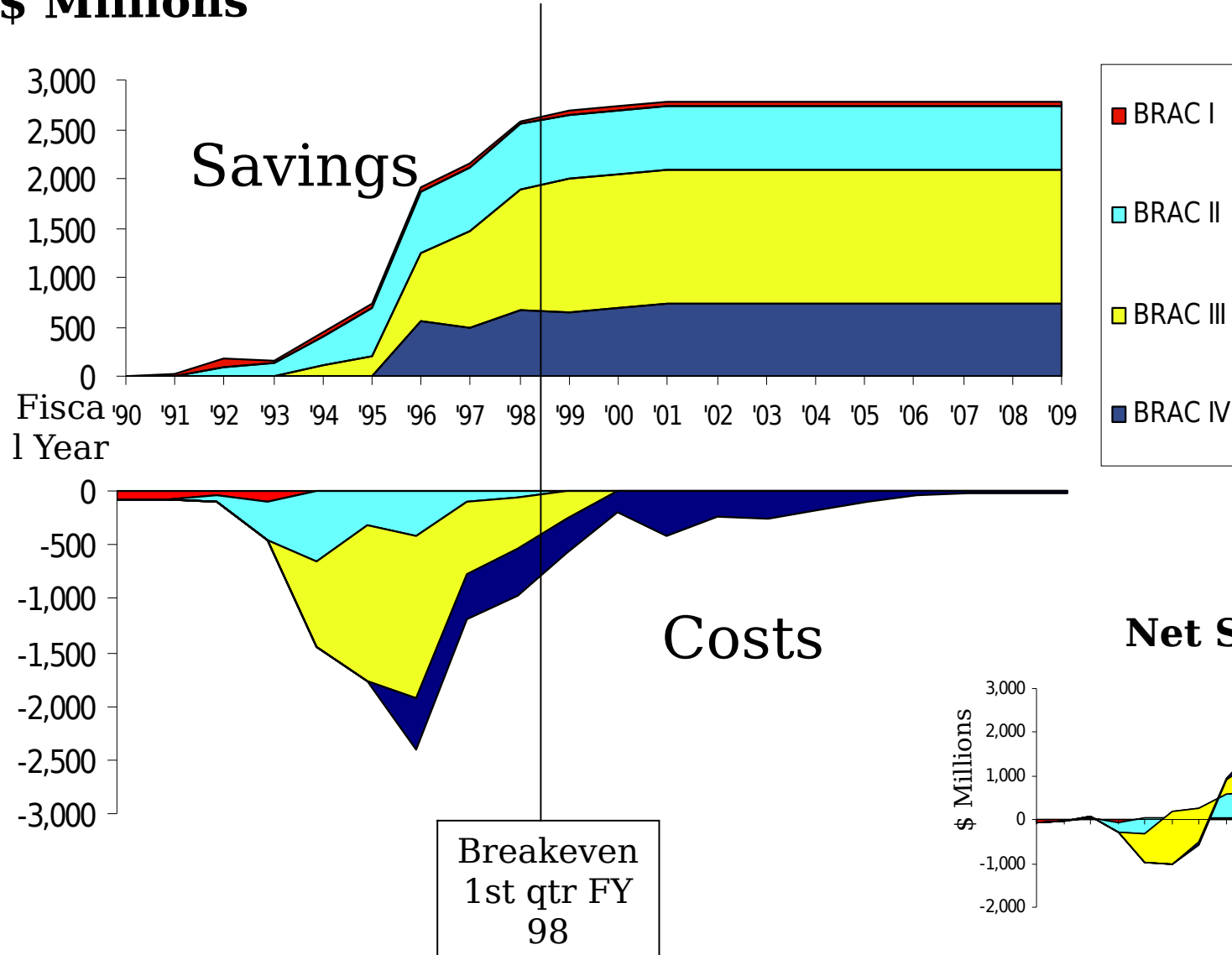


Navy BRAC Savings & Costs

1. Data for FY '90 thru FY '02 from DON FY 2004 PresBud, Feb 2003

2. Data for FY '93 thru FY '09 from DON FY 2004/2005 Justification to OSD, Aug Feb 2002

\$ Millions





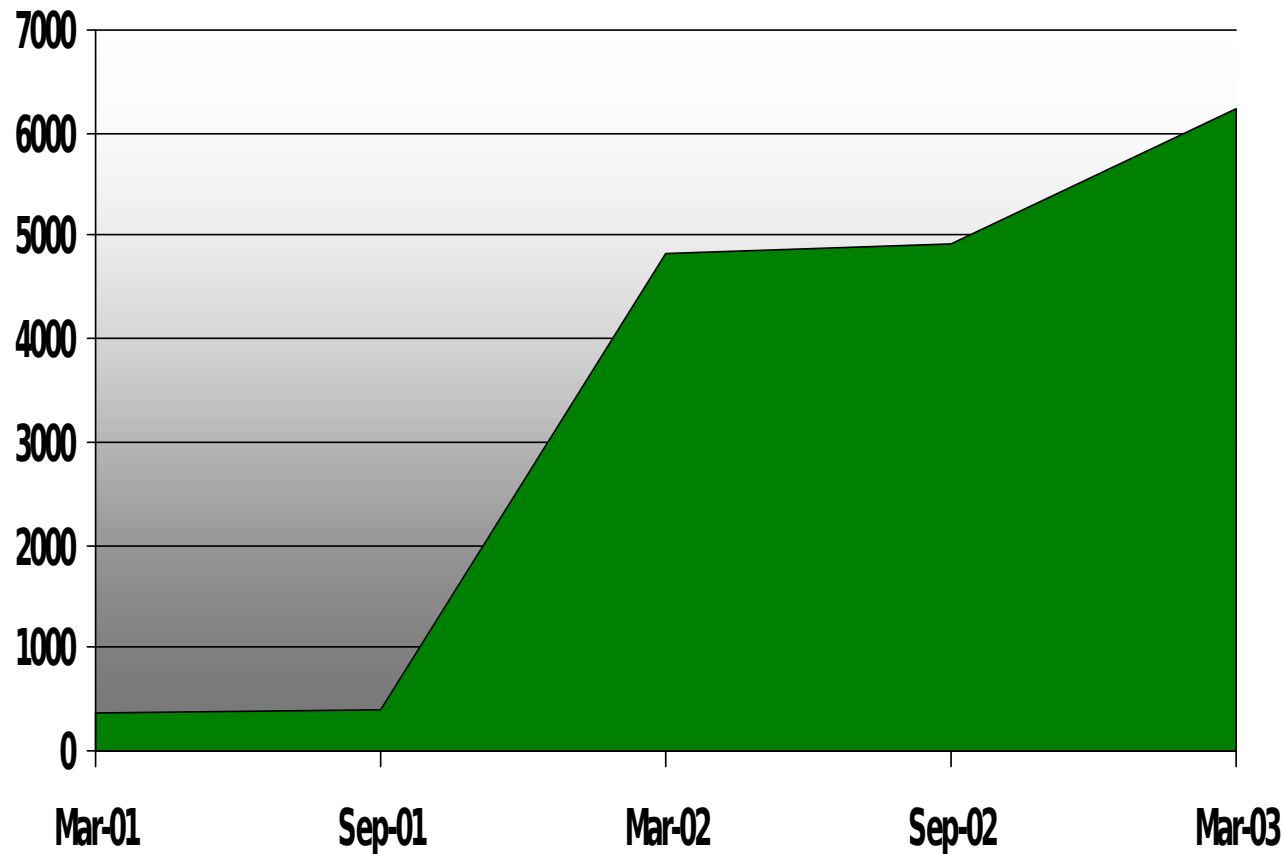
Enhanced Use Leases

*Dollar value of enhanced use leases
as of 31 March 2003*

Desired Trend



\$ Thousands

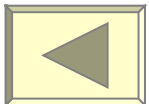


Unit of Measurement:

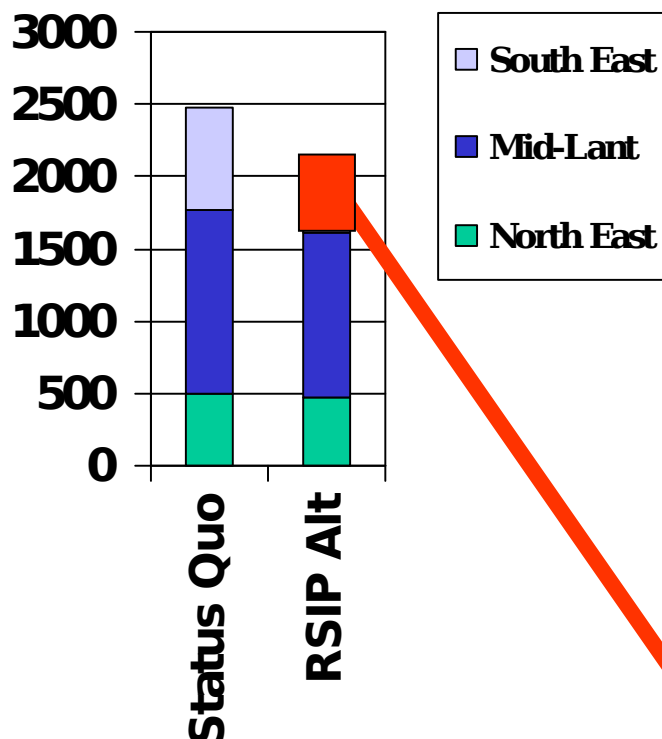
- Dollar value of in-kind and cash consideration from enhanced use leases.

Additional Explanations:

- Enhanced use leasing authority enacted FY 2001
- Large jump in first quarter FY-02 due to new leases at Port Hueneme for car storage totaling \$4.3 million



LANTFLT Waterfront RSIPs

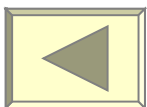


Costs include the following:

- **Construction**
- **Sustainment**
- **Operations**

Costs reflect total Life-Cycle costs

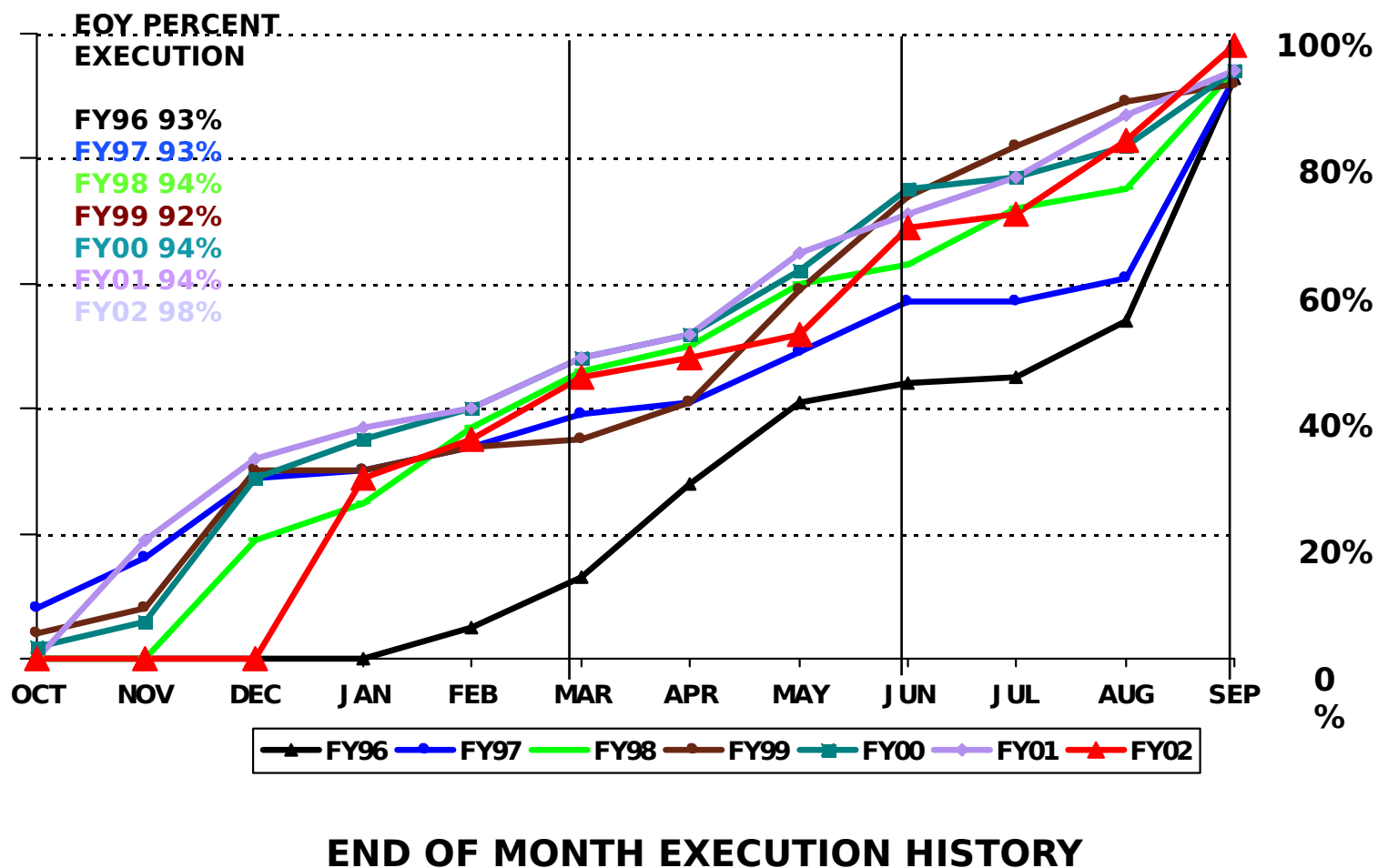
\$351 Million in Total Savings/Cost Avoidance





MCON Execution

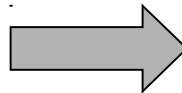
FY96-FY02



Design-Build Benefits

- **Design-Bid-Build (Pre-90's)**

- Adversarial Relationships
- Many claims/delays



Dsgn	\$ 194,668
Const	\$2,650,372
Mods	\$ 185,084
Total	\$3,030,124

Const Duration:
1064 days

- **Design-Build (90's)**

- Best value selection
- Quicker execution/faster delivery
- "Bridging" (some design up front)
- Teaming approach/less claims



Dsgn & Const.	\$2,997,800
Mods	\$ 43,000
Total	\$3,040,800

Const Duration:
365 days

- **2-Phase Design-Build (Current)**

- Work with best contractors
- Minimize proposal/selection time & effort
- Performance based specs/little or no design up front

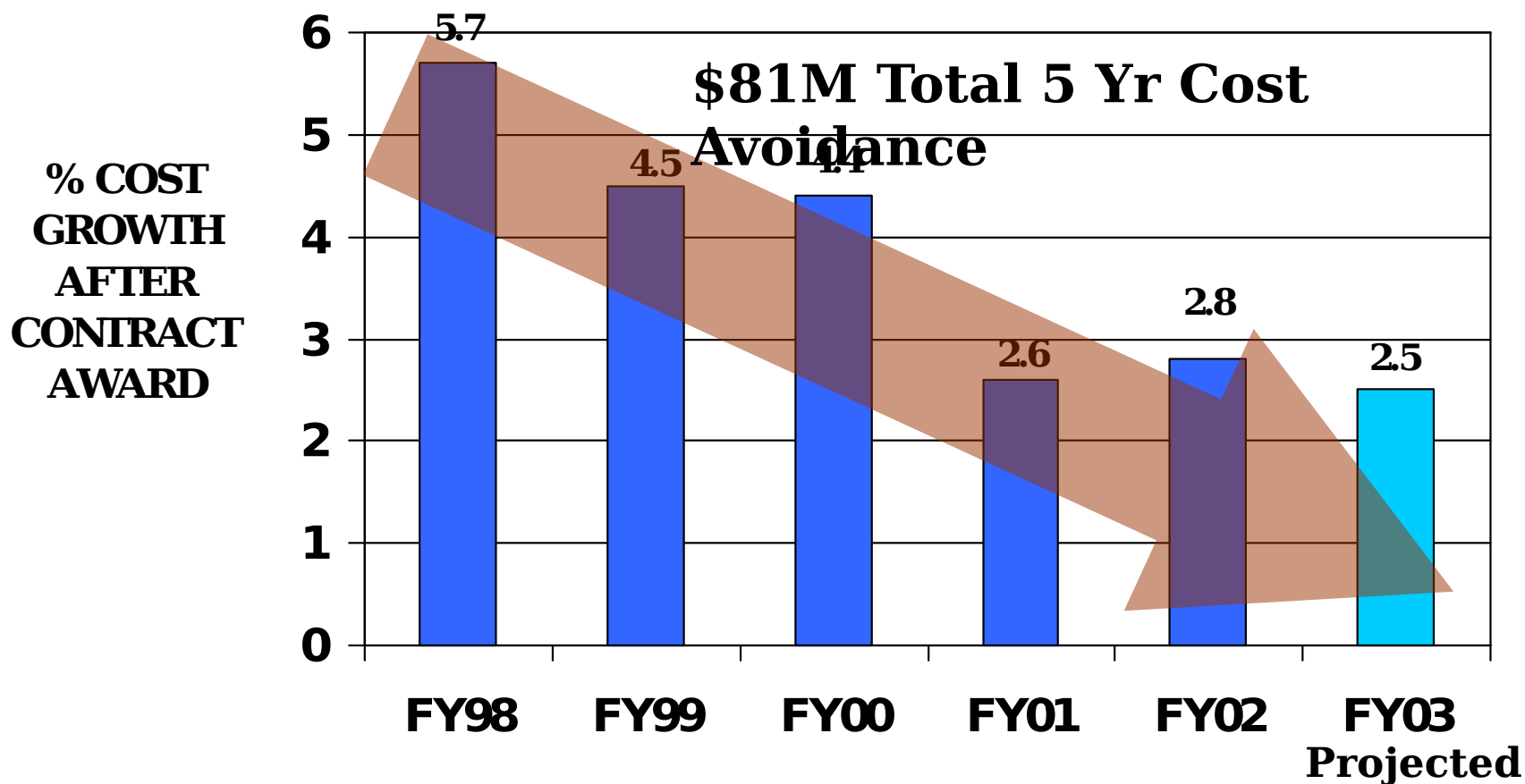


Significant Time/Cost Savings With Quality



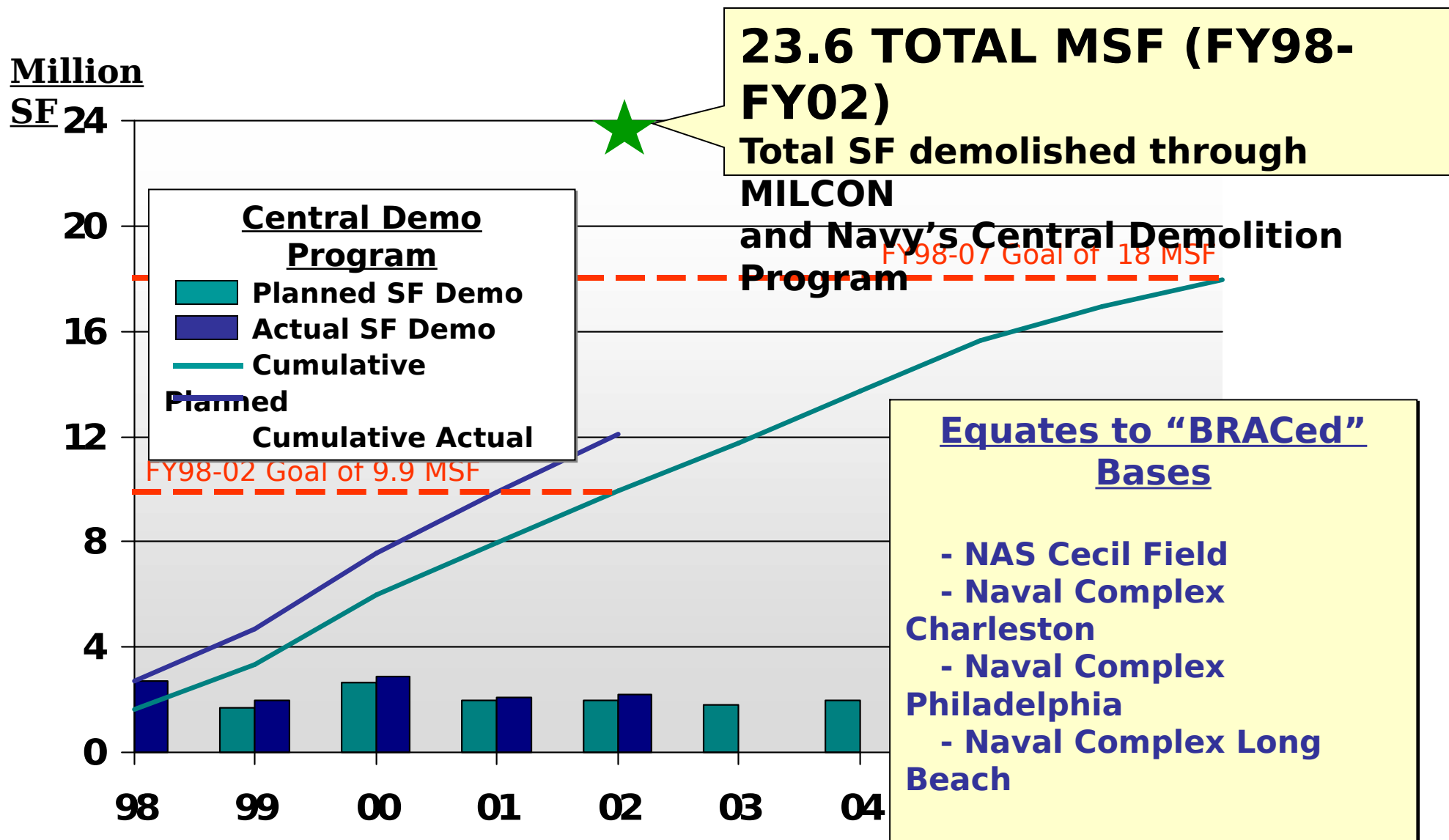
MCON Contract Cost Growth

**Completed Contracts MINUS MODS for FY98-FY02 Projects
>= 98% Complete**





Navy Footprint Reduction

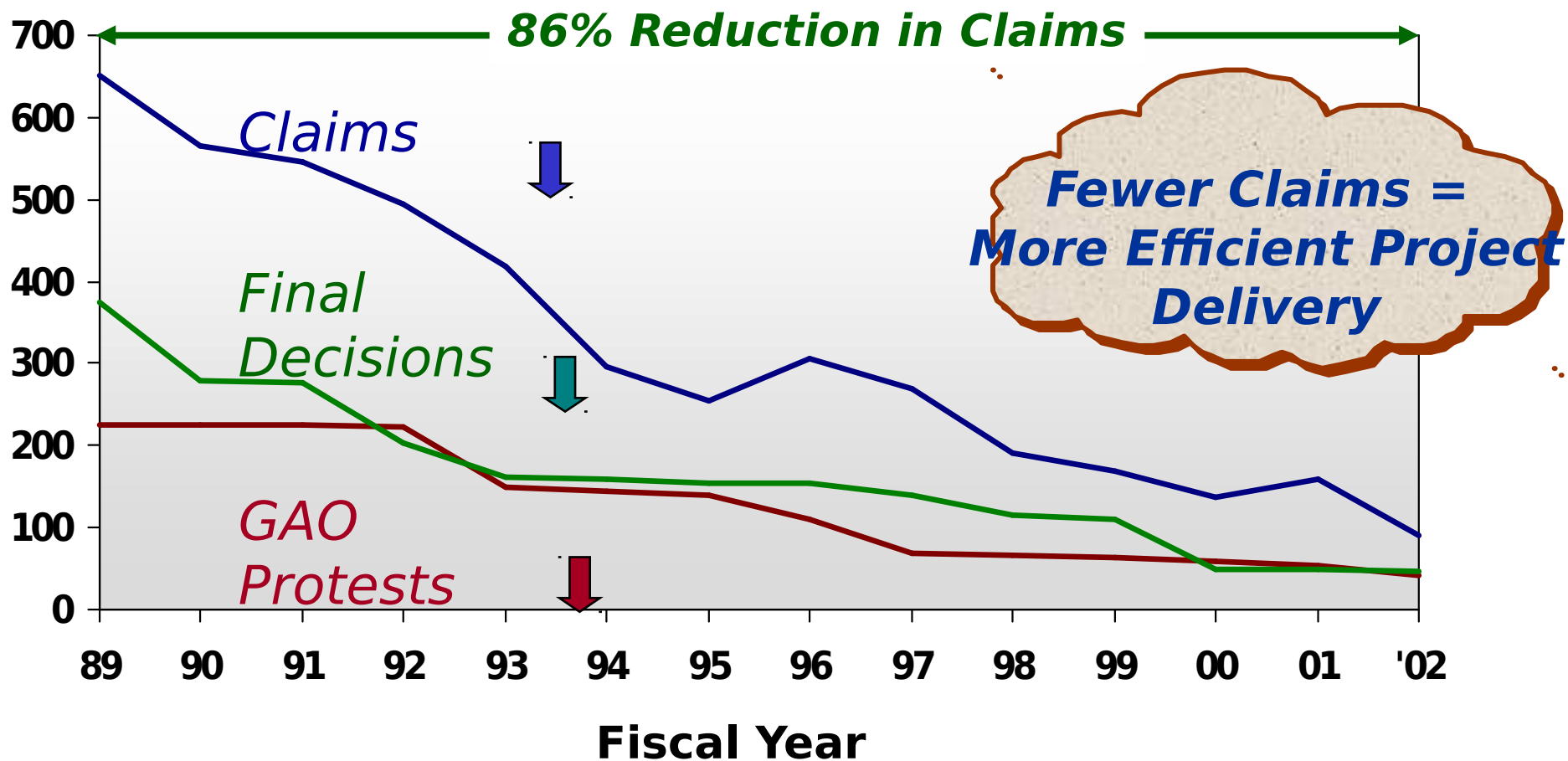




Reducing Litigation - Innovative Strategies

Litigation Actions Per Fiscal Year

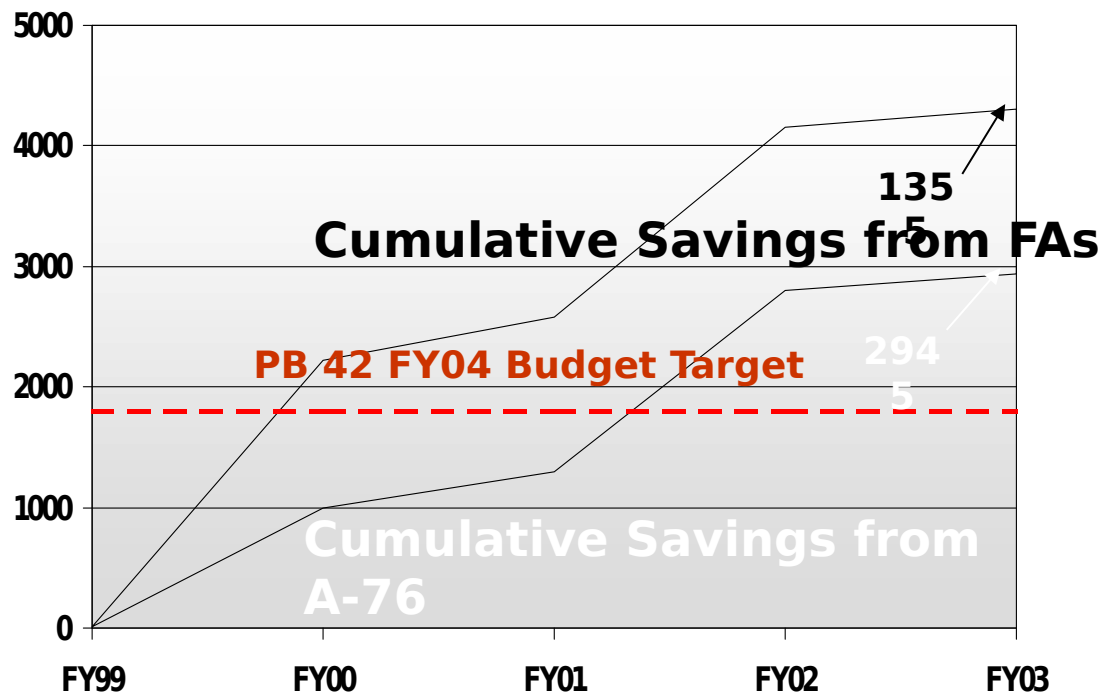
Actions





NAVFAC A-76 and Non-A-76 Studies

Total FTE Positions Saved to Date



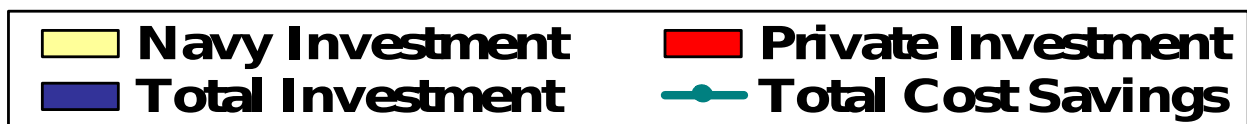
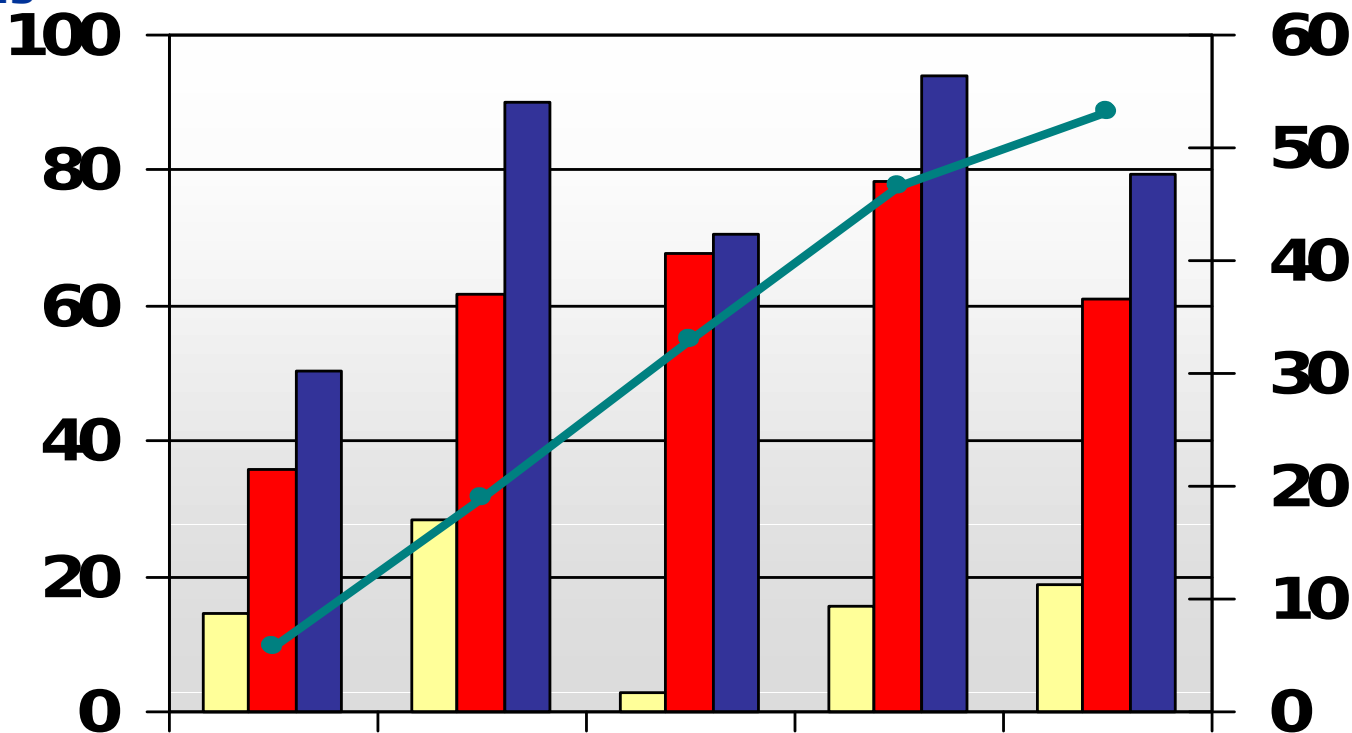
- **A-76 Studies (FY97-FY05)**
 - NAVFAC FTEs studied 7,663
 - Total Navy FTEs studied 32,868
 - Assumed Savings (FY03 - FY09): NAVFAC \$1,124M
Total Navy \$4,758M
- **Non A-76 Studies (FY97 - FY05):**
 - NAVFAC FTEs to be studied 7,482
 - Total Navy FTEs to be studied 60,815
 - Assumed Savings (FY03 - FY09): NAVFAC \$177M
Total Navy \$6,721M



Energy Savings Initiatives

Energy Project
Investment
\$ Millions

Cumulative
Cost Savings
\$ Millions





DON Renewable Energy Savings

Increase in DON Renewable Energy Use

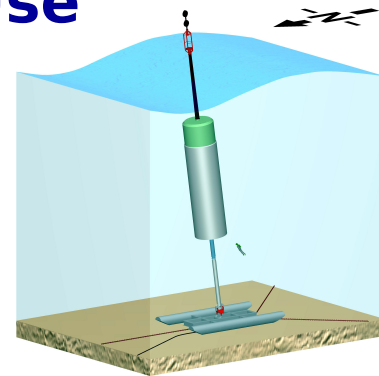
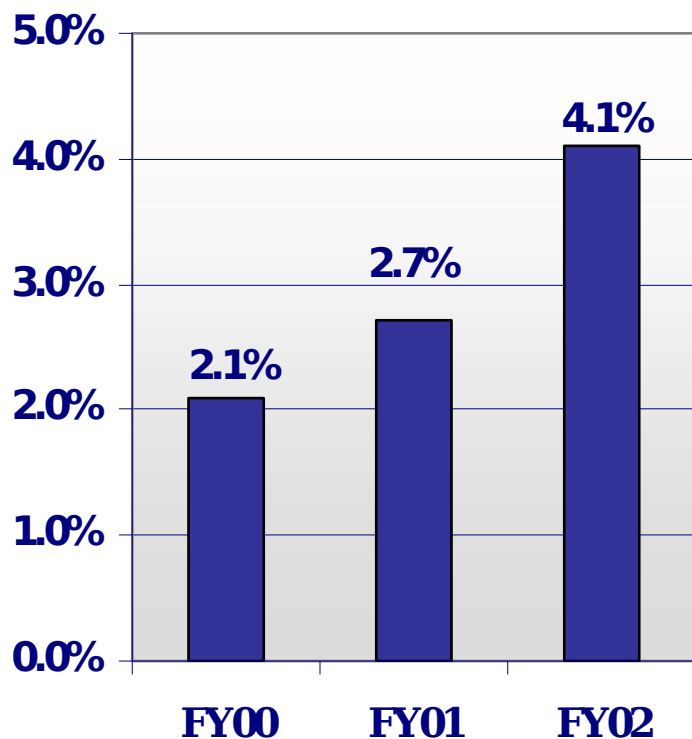


***675kW Wind Turbines
San Clemente Island***



***2.3 MW PV Covered Parking Structure
NAS North Island***

% of MBTUs



***Wave Power Generators
MCB, Kaneohe Bay, HI***



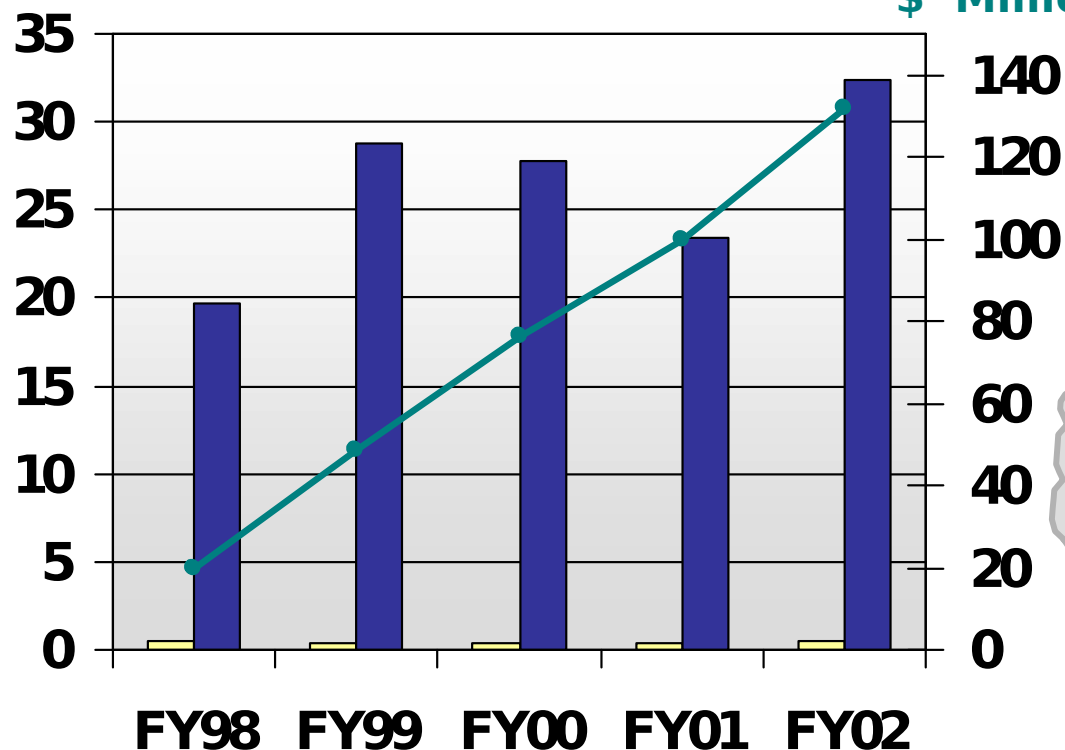
***2-3 MW Solar/hydrogen Energy Park
NAVSTA Pearl Harbor***



Navy Rate Intervention

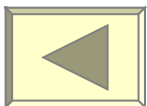
**Investment and
Annual Cost Avoidance
\$ Millions**

**Cumulative
Cost Avoidance
\$ Millions**



**19 Year
Cumulative Cost
Avoidance:
\$390M**

■ Annual Investment
■ Annual Cost Avoidance
—●— Total Cost Avoidance

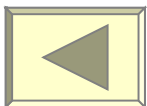
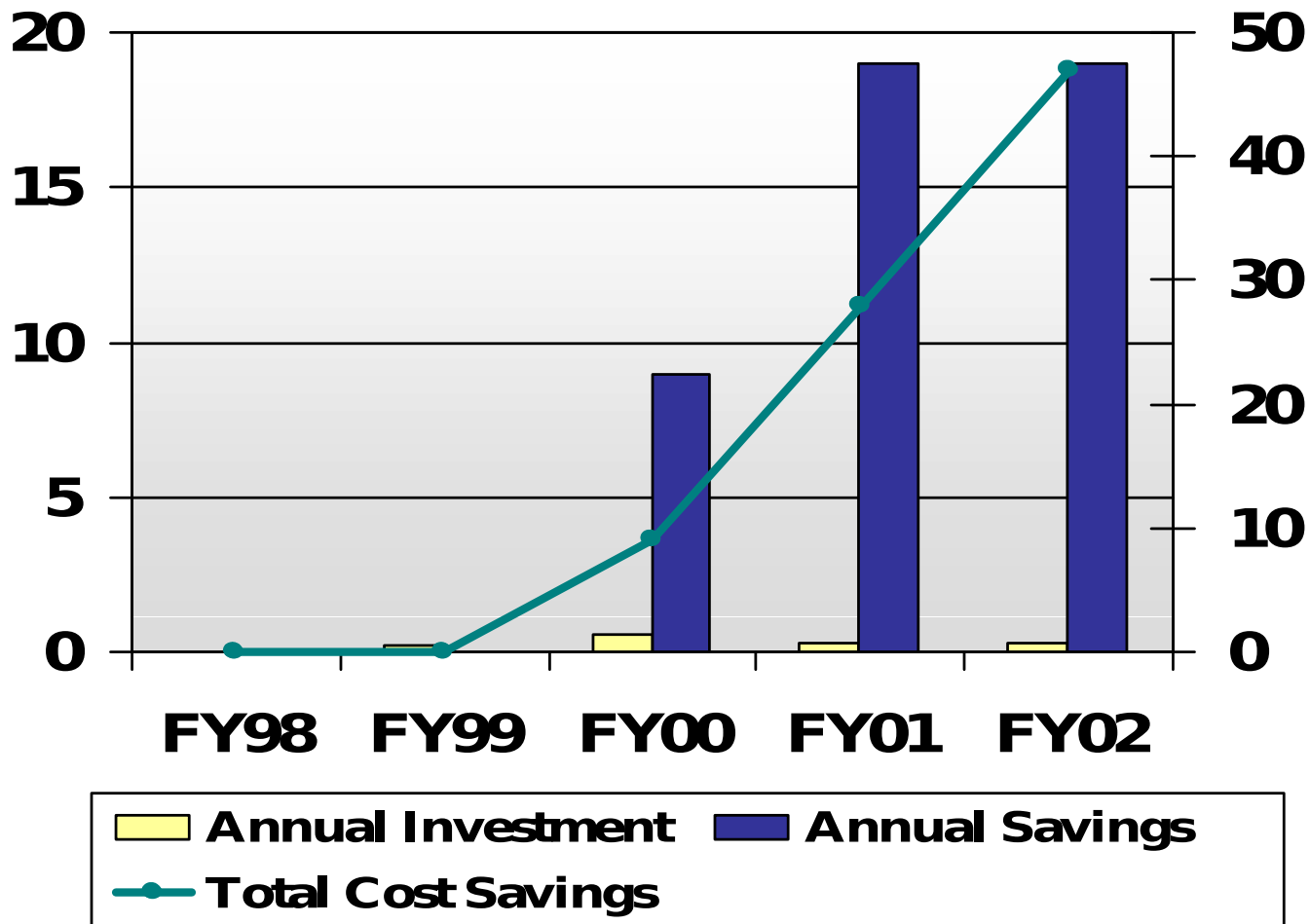




Electronic Solicitation Initiative

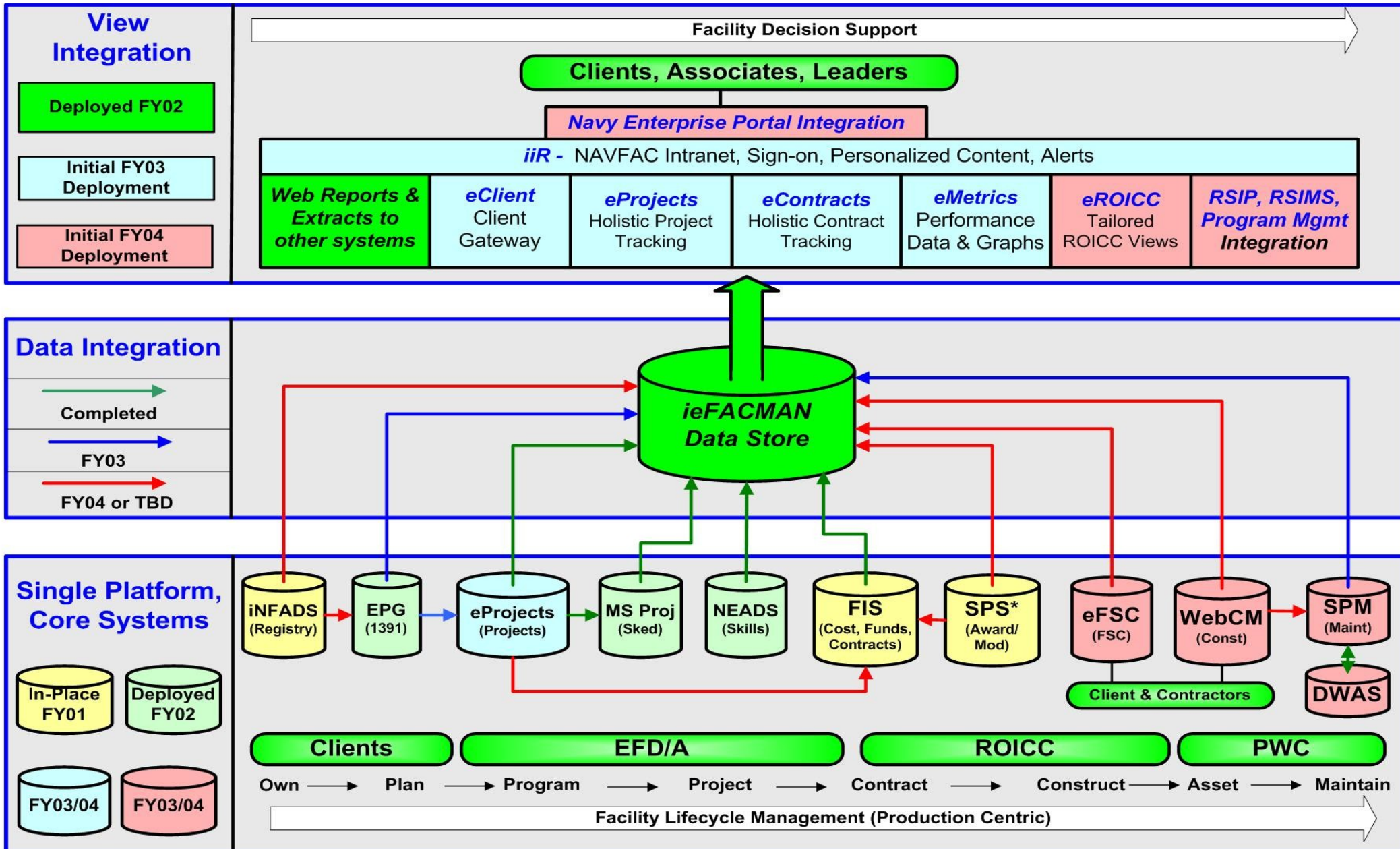
**ESOL Investment
And Annual Cost Savings
\$ Millions**

**Cumulative
Cost Savings
\$ Millions**





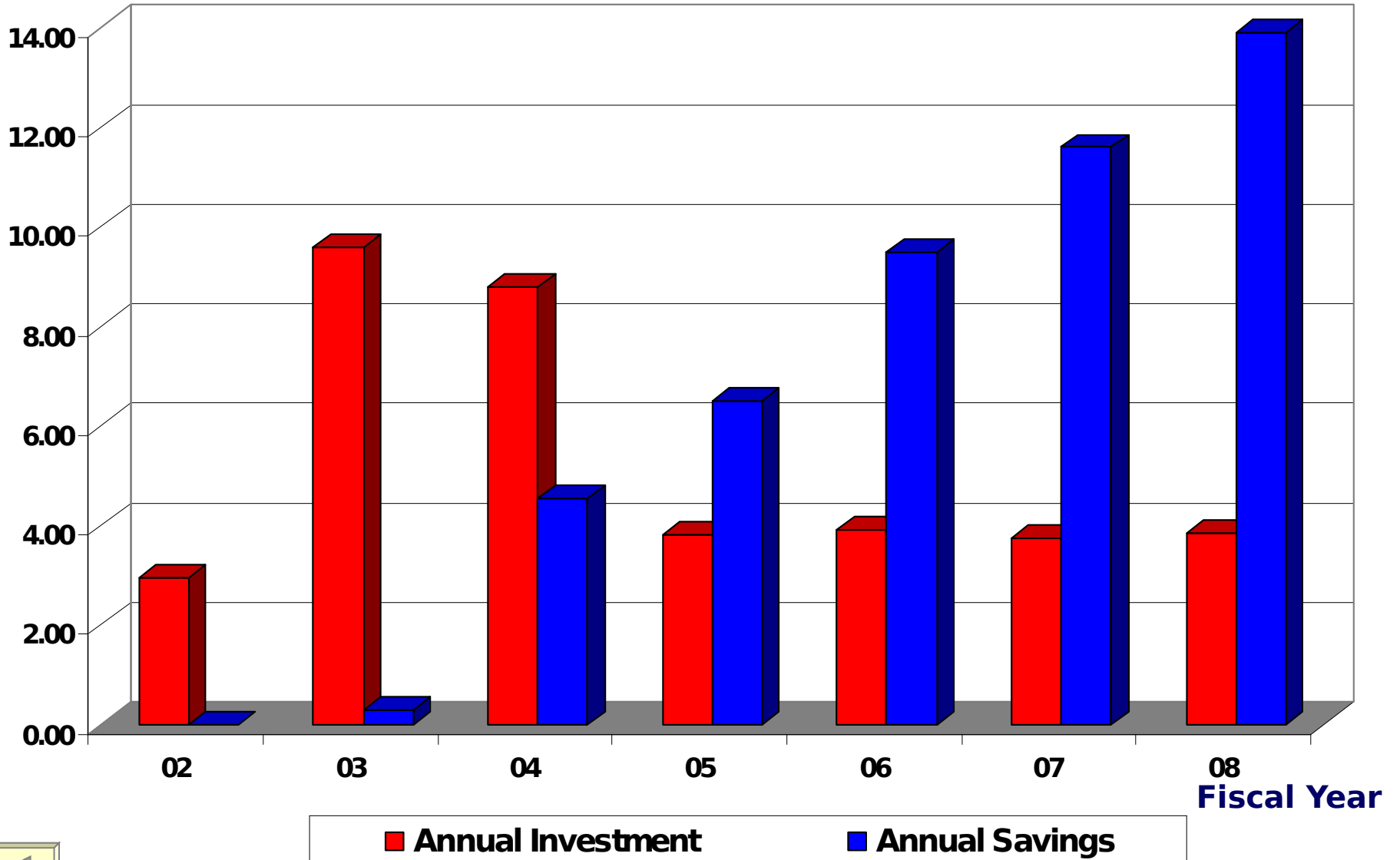
Best of Breed IT Integration





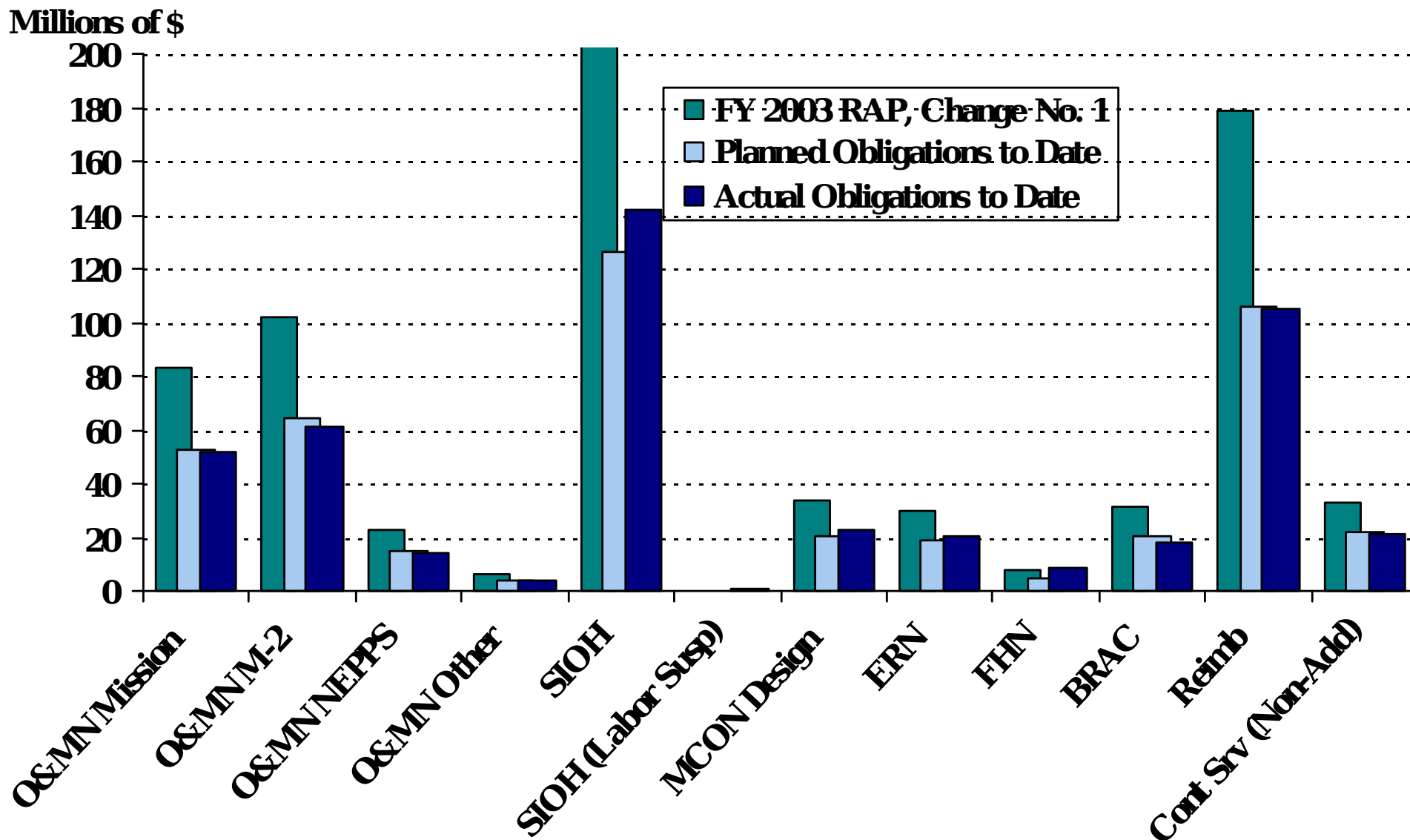
IAVFAC Enterprise Integration ROI

Annual Investment / Savings (\$)



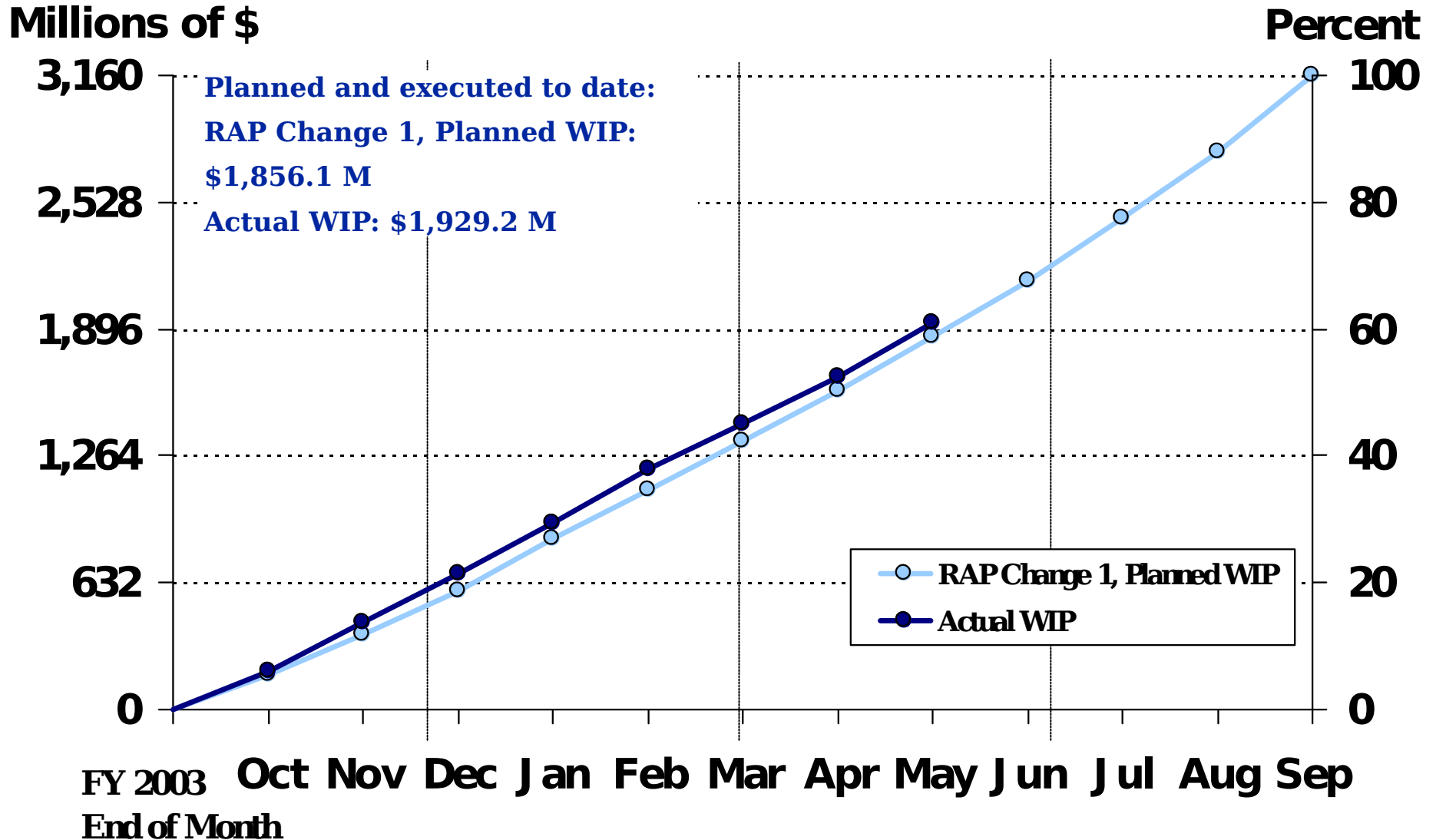


Funds Distribution



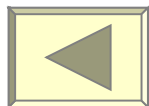
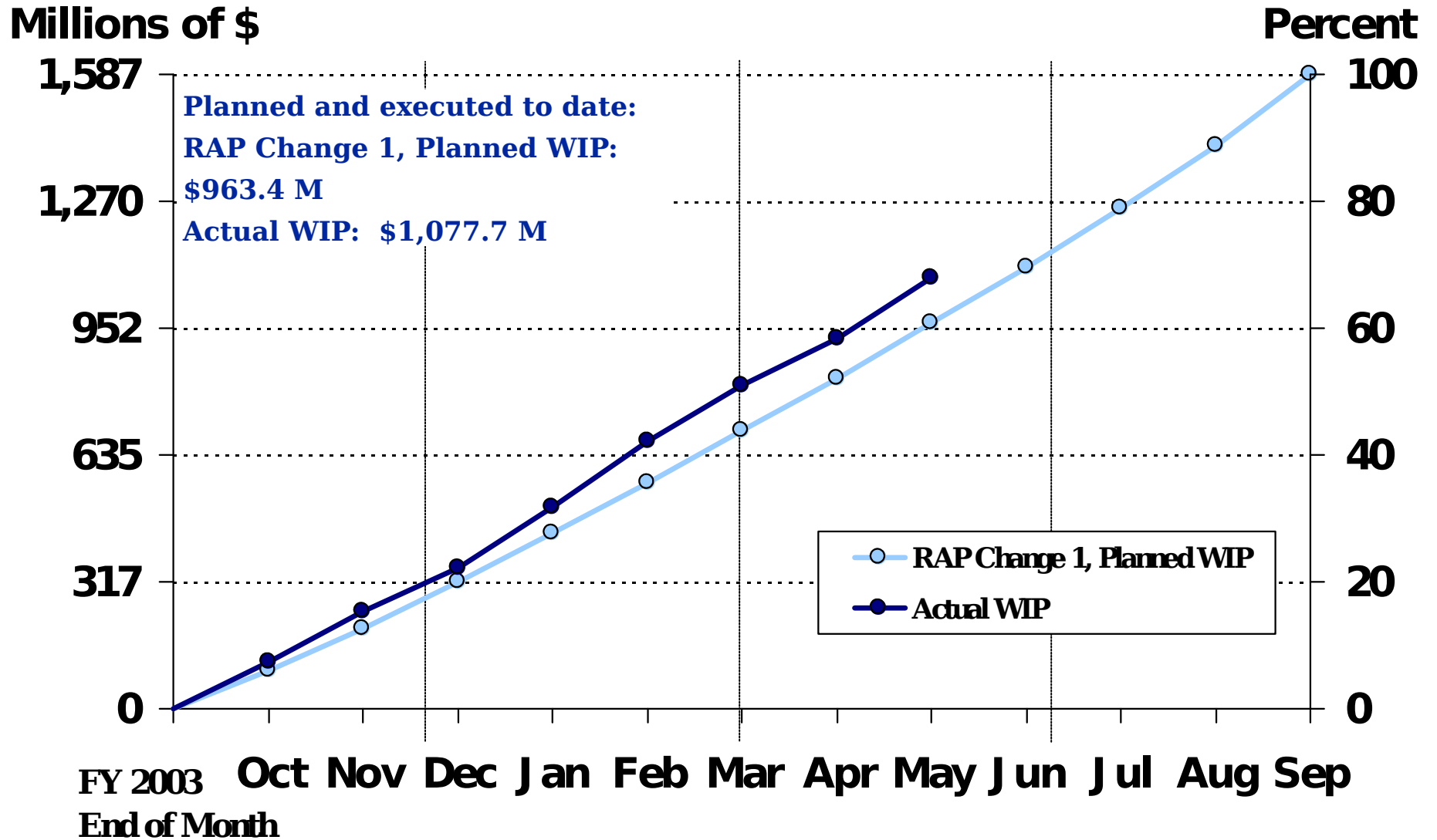


FY 2003 Income Work In Place





2003 Non-Income Work In Place



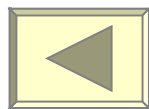
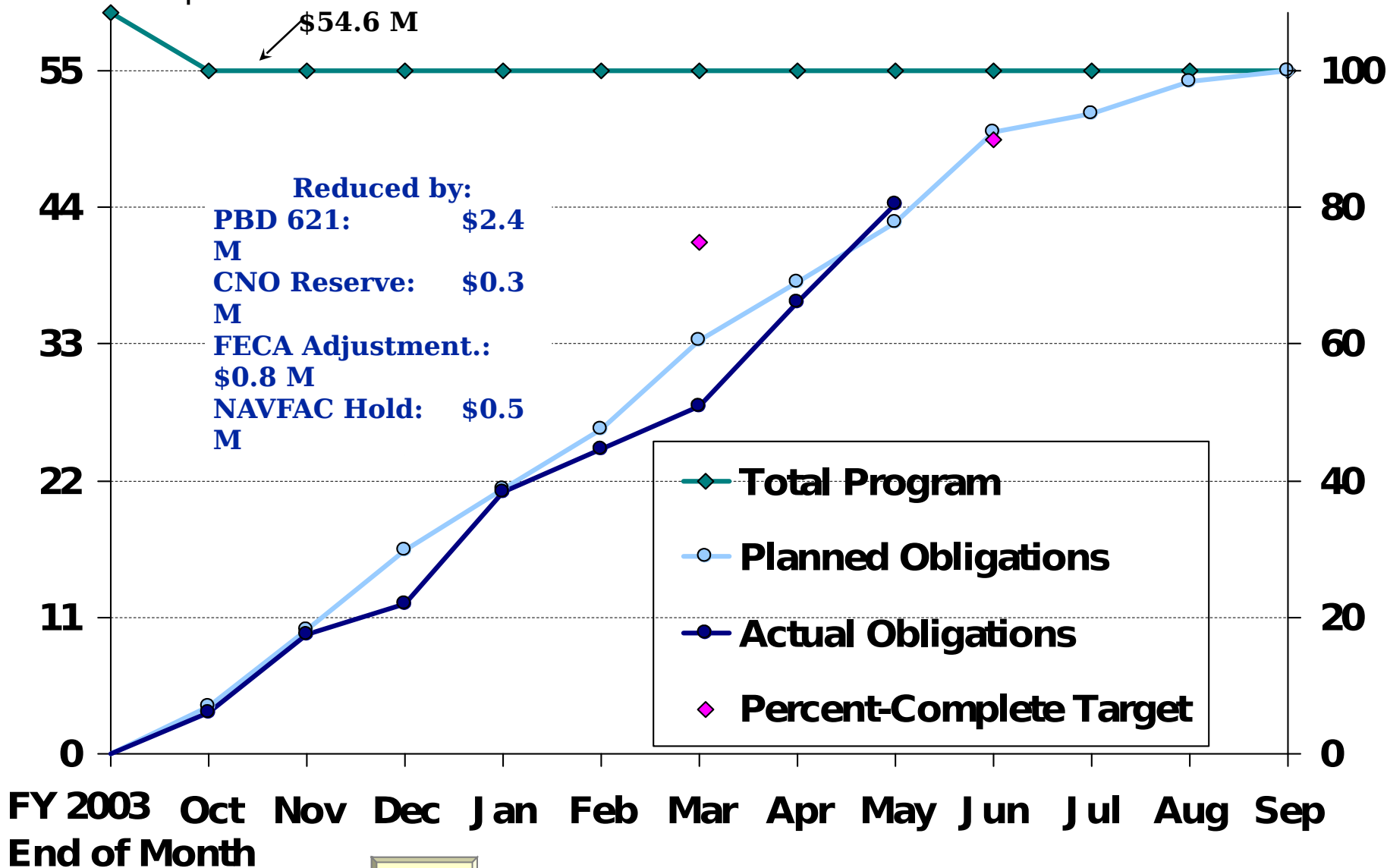


2003 Contingency Engineering

Total O&M,N Funds

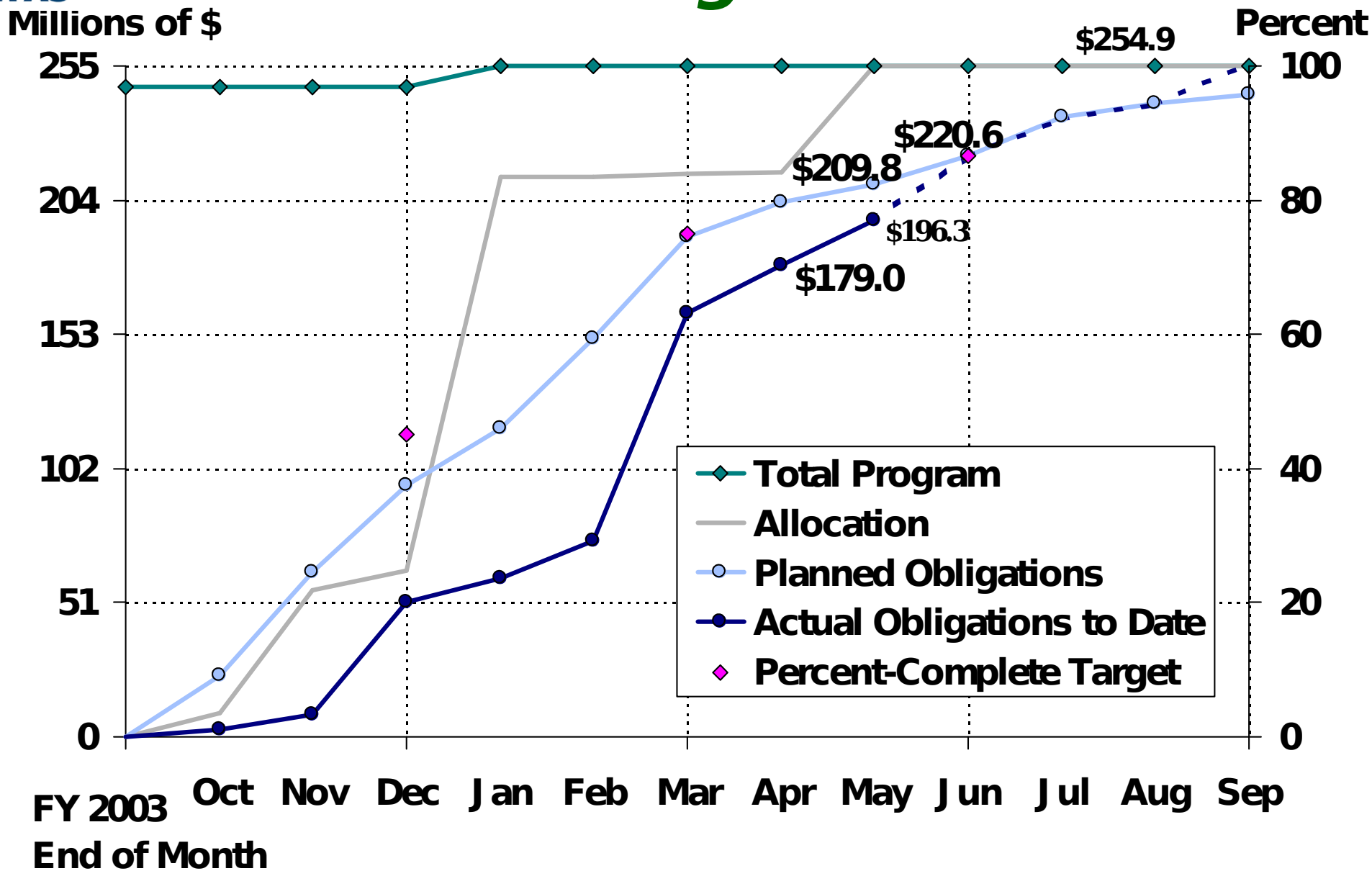
Millions of \$

Percent



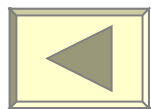
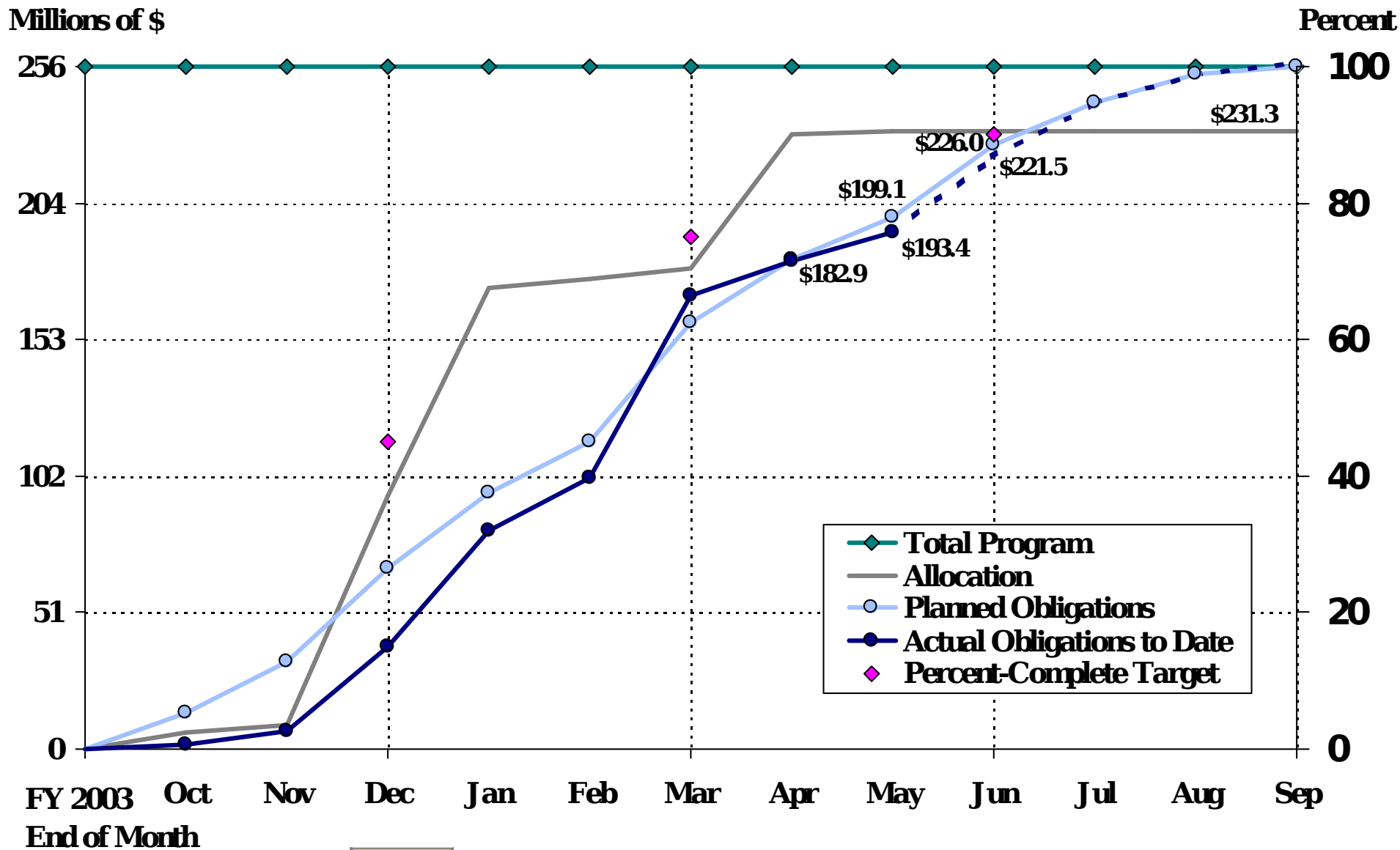


FY 2003 BRAC Environmental Program





FY 2003 ER,N Program





Anchor Housing PPV Execution

FY 2003 - FY 2005

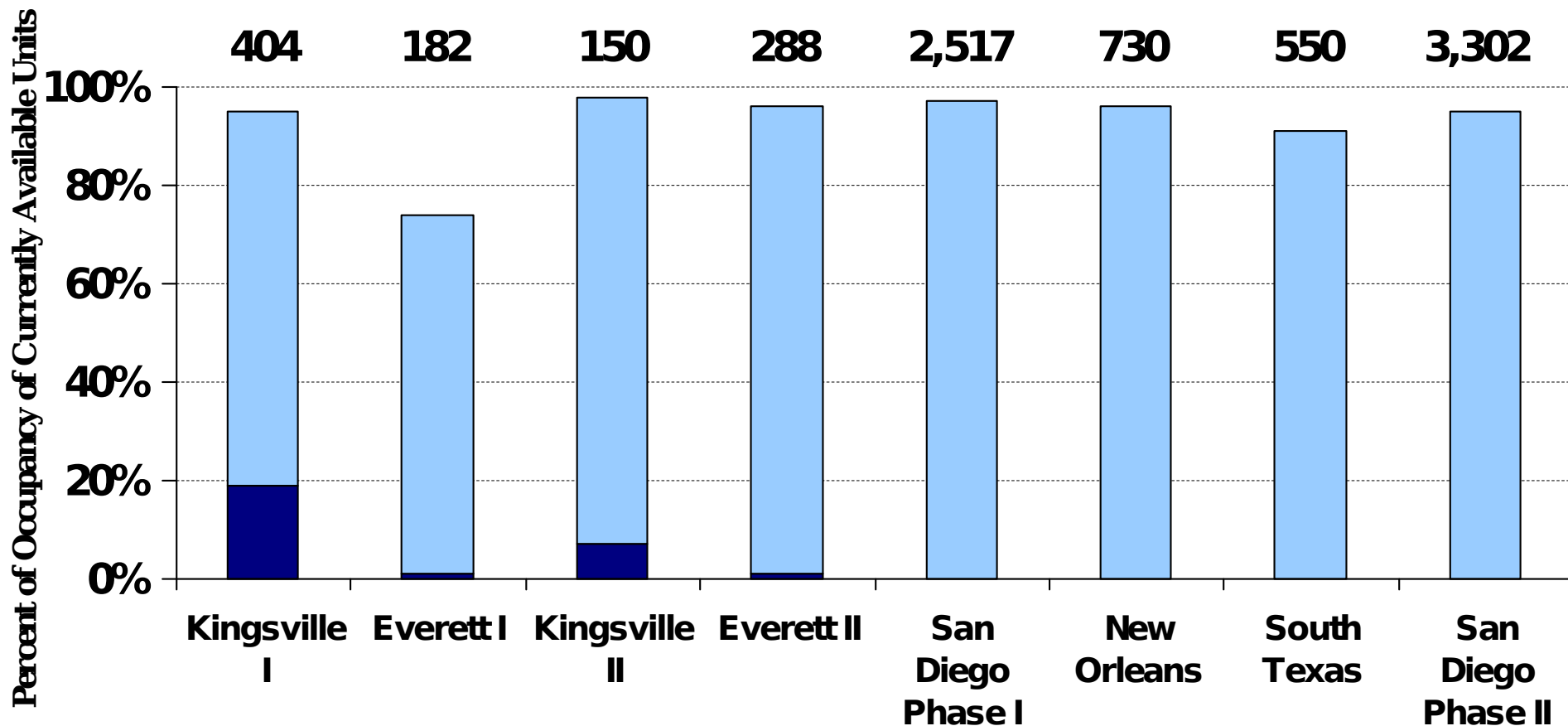
Project	exist inv/	\$ prog/ \$ req	FY 2003				FY 2004				FY 2005			
FY	end													
2003	state													
None														
FY														
2004														
None														
FY														
2005														
Hampton Roads	TBD	85.4 M TBD												
San Diego	TBD	TBD												
Camp Pendleton (Del-Mar)	TBD	TBD												

1 = Concept Development
 2 = Source Selection
 3 = Exclusive Negotiations
 4 = Approvals/Signature
 5 = O&M Funds Transfer
 planned month
 actual/project month
 Funds transferred to



Available Privatized Housing

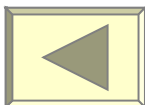
Percent Leased to Active Military and to Others



■ Percent Active Military

■ Percent Other

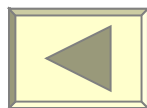
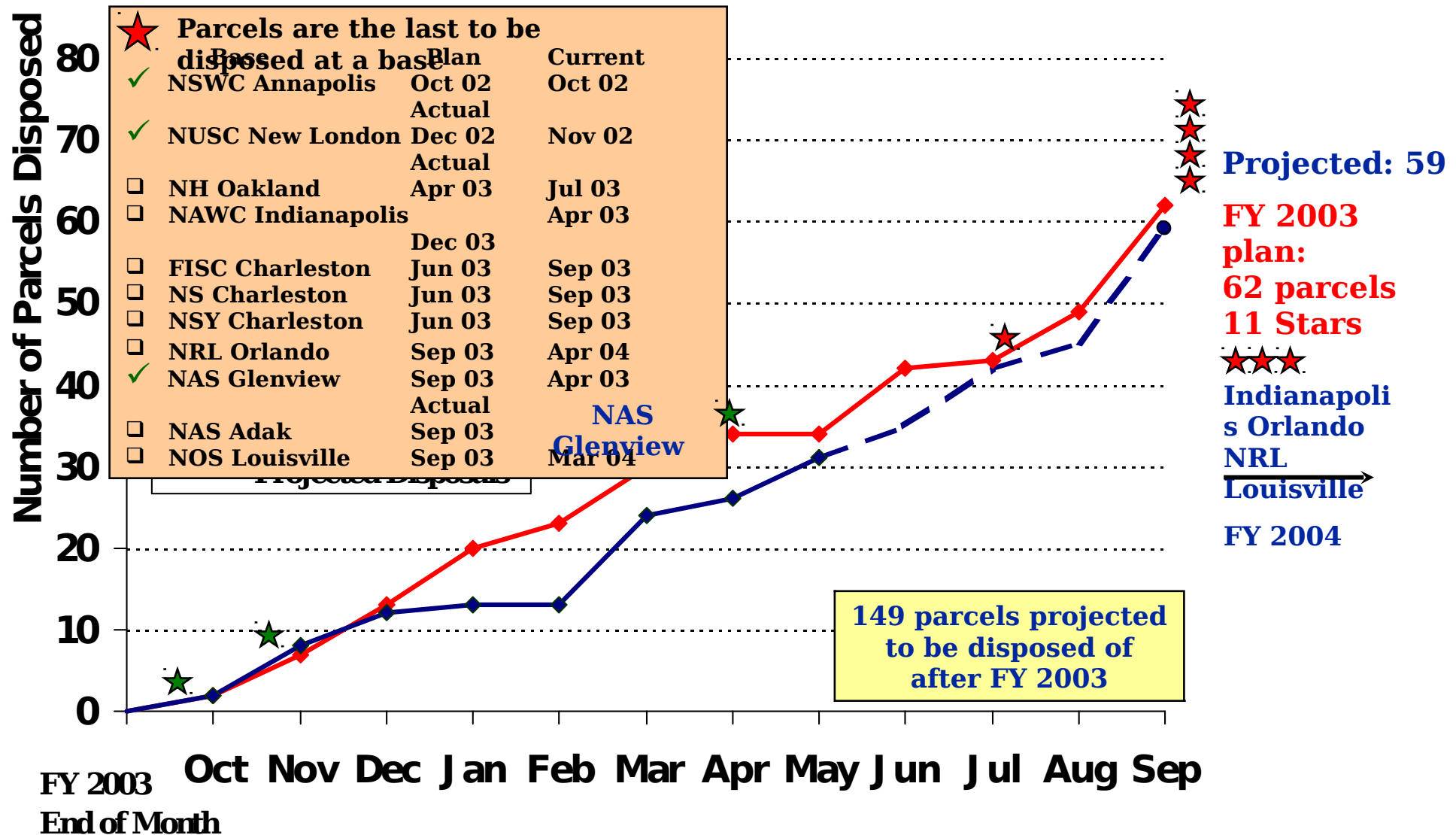
Numbers at Top: Currently Available Units





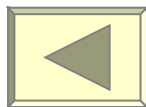
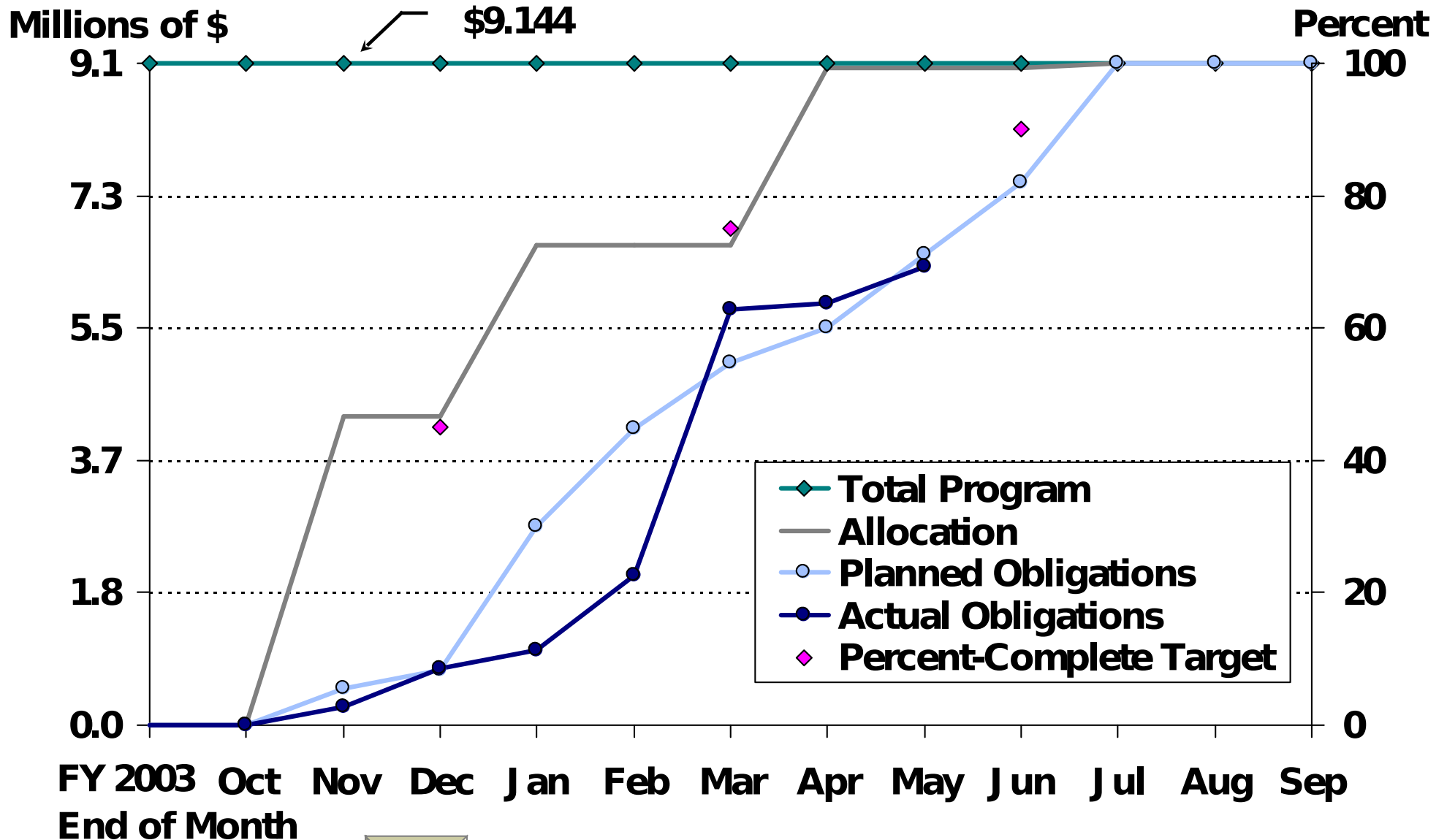
RAC Parcel Disposal Execution

Total Program for FY 2003





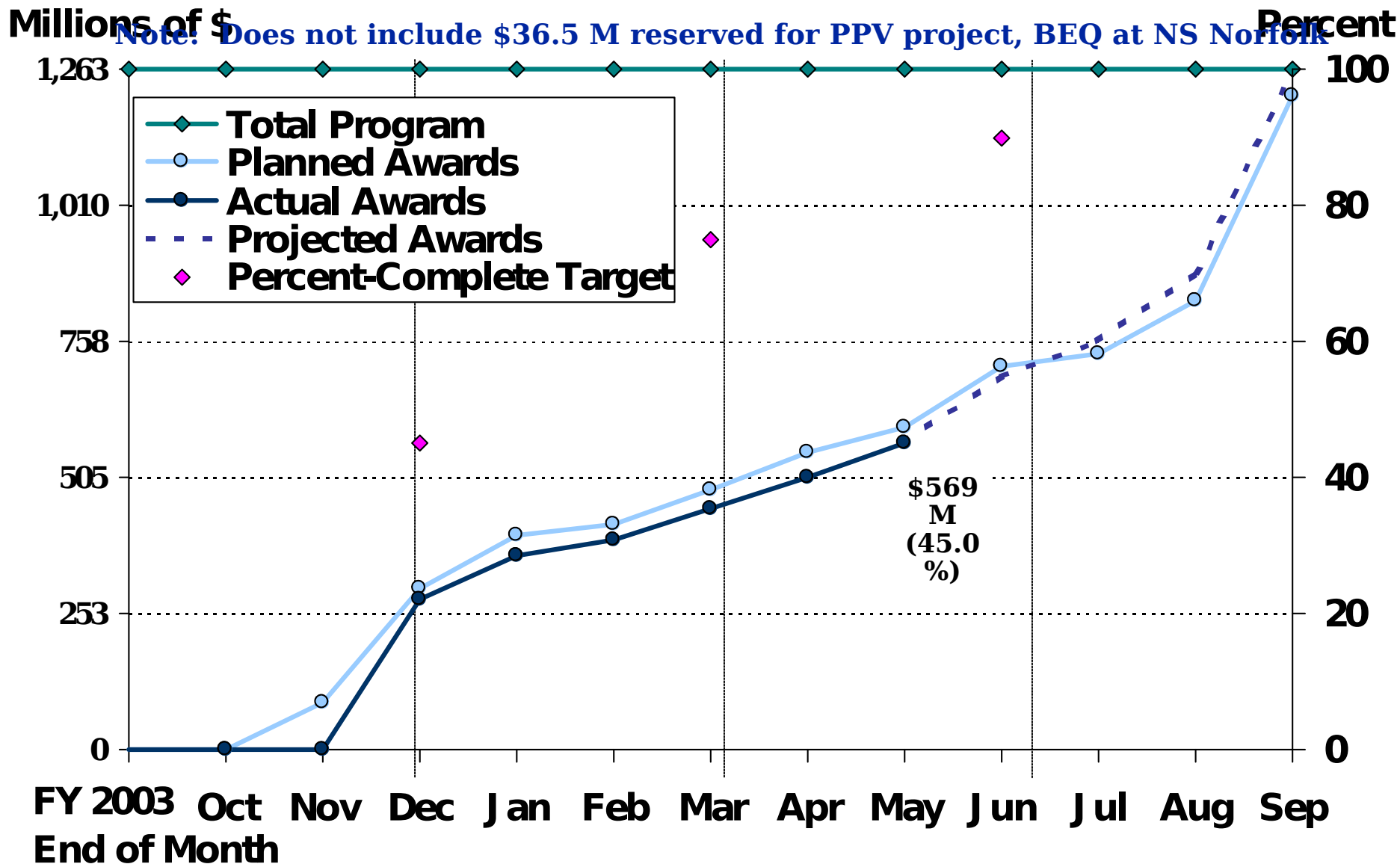
FY 2003 Regional Planning O&M,N





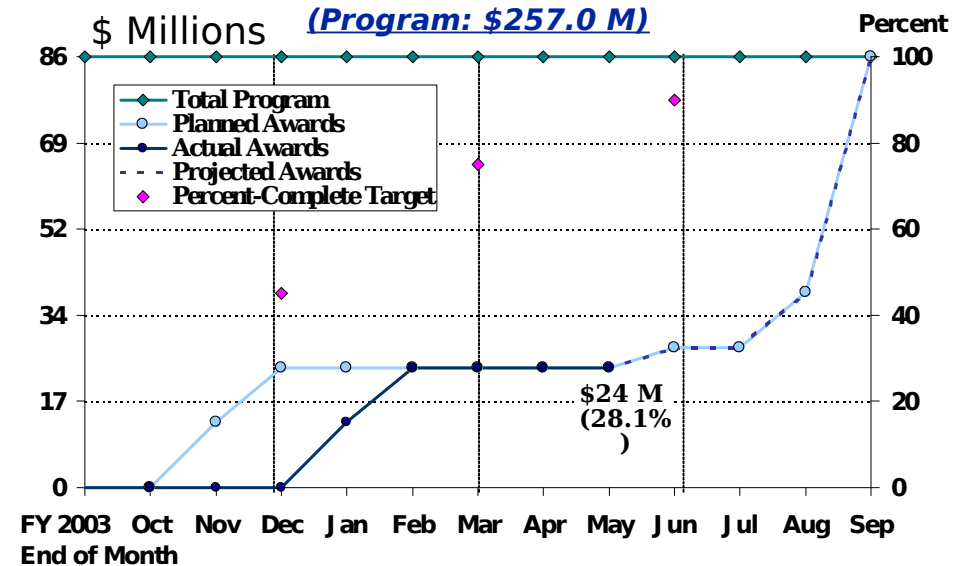
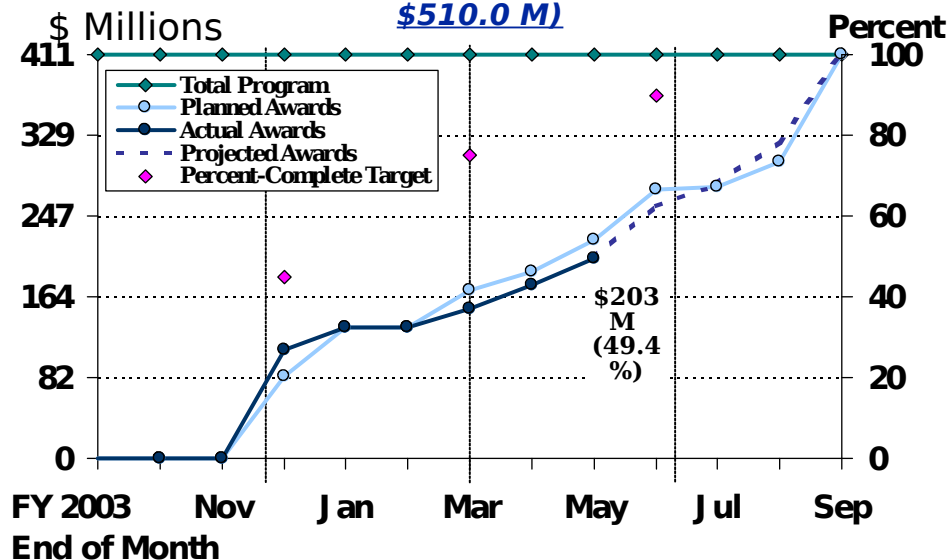
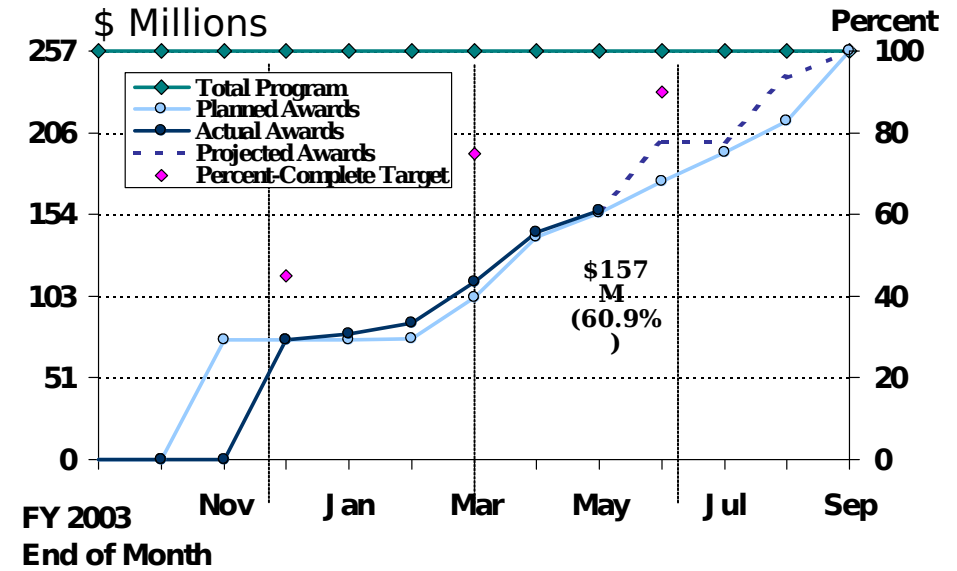
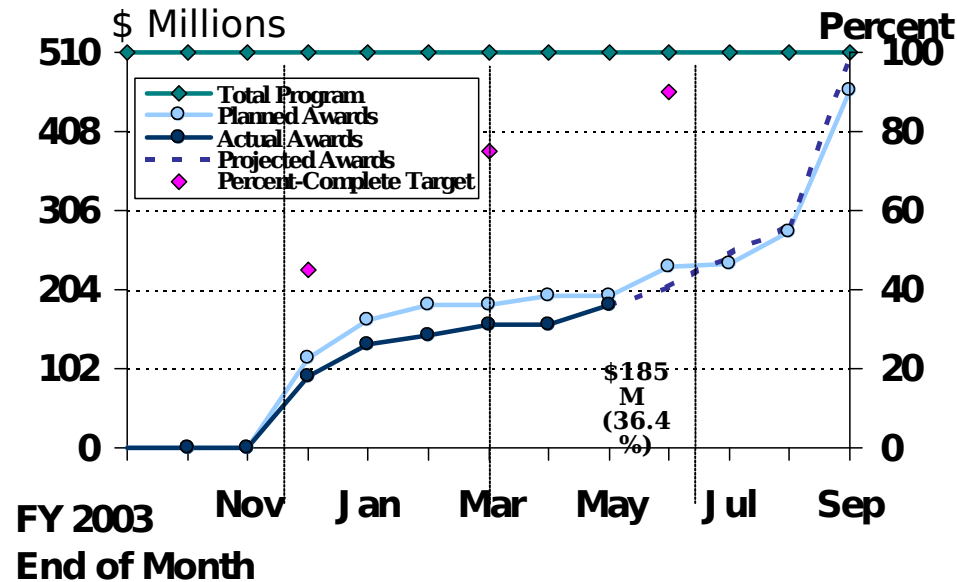
CON/MCNR Execution Forecast

FY 2003 DON Program (\$1,263 M)





2003 MCON/MCNR Execution Forecast

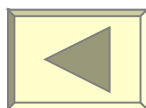
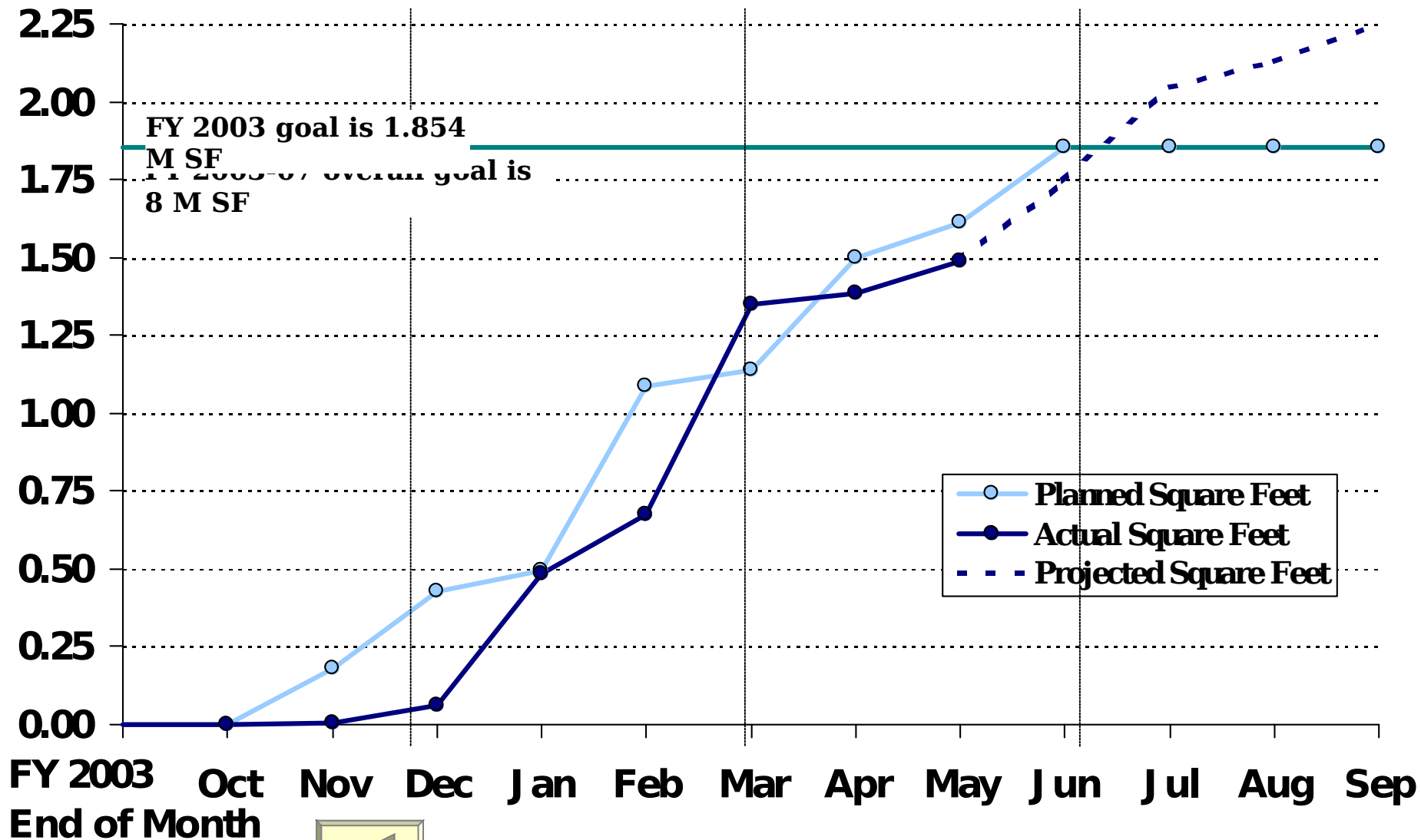




Demolition Square Footage Forecast

FY 2003 Navy Program (1.854 MSF)

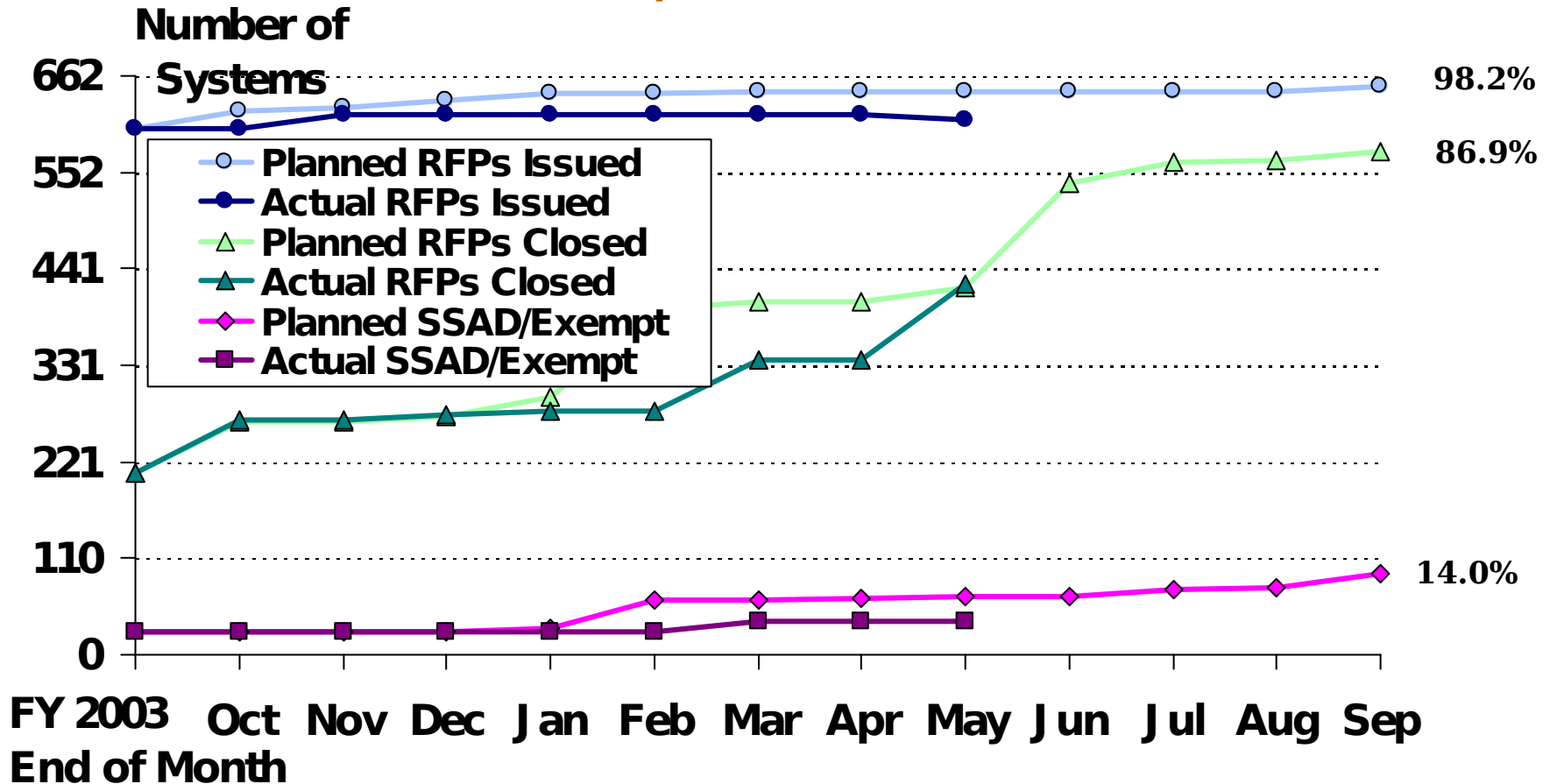
Millions of SF





DoN Utilities Privatization

RFPs Issued / Closed in FY 2003



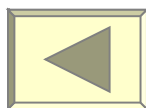
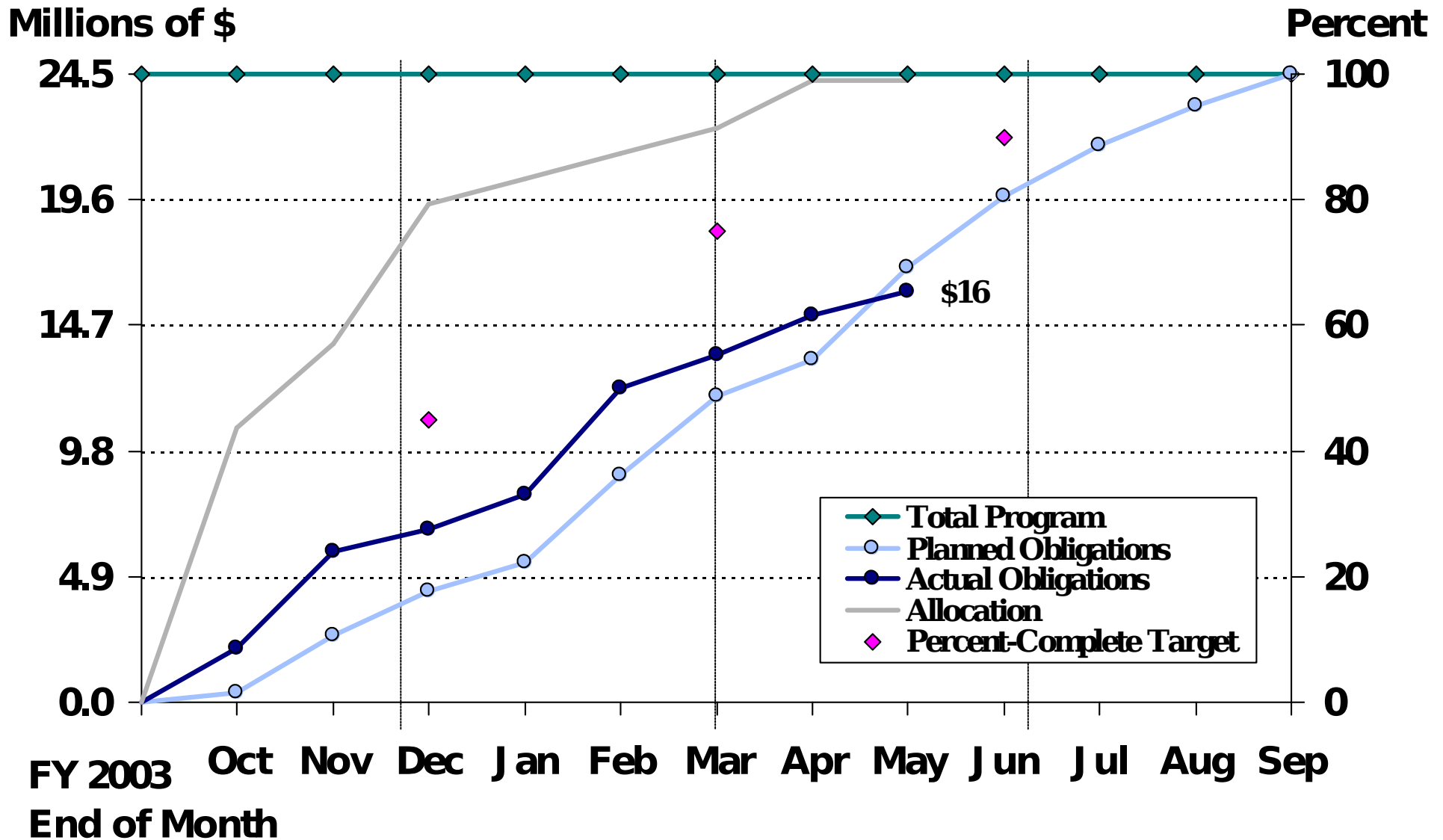
Summary of RFPs	
Total Systems Available to Privatize	662
RFPs Issued	618
RFPs Closed	278
Percent Issued	93.4%
Percent Closed	42.0%

Summary of Completed Actions	
Total Systems Available to Privatize	662
Econ Exempt Pre-RFP	10
Security Exempt	9
Econ Exempt Post-RFP	5
Privatized thru DRID	3
Number Systems Complete	27
Percent Complete	4.08%

Additional (Major BRAC) Utility Privatizations			
NAS Agana	4	NAWC Waminsten	3
NAS Alameda	3	NAWC-AD Trenton	3
NAS Cecil Field	4	NS Brooklyn	4
NAS Dallas	4	NS Staten Island	4
NAVBASE Charleston	4	NSY Mare Island	1
NAVBASE Philadelphia	4	NTC Orlando	4
NAVHOSP Philadelphia	4	NTC San Diego	2
Total number of systems		48	



FY 2003 Geothermal Revenues





Small and Disadvantaged Business Utilization

Percentage of Contracts Awarded by SB Categories

SB Category		SB	SBSA	SDB	WO	HZ	VET	HBCU/ MI*	R&D	8(a)
Target		39.9%	N/A	15.4%	5.1%	3%	3%	1.2%	N/A	N/A
Location	Contract Total									
Atlantic Division	\$866 M	37.9	7.0	18.0	4.0	3.2	.23	100.0	\$956 K	11.3
Southern Division	\$557 M	31.0	8.6	11.5	3.7	4.5	.11	0.0	\$33 K	8.1
Southwest Division	\$685 M	44.5	10.6	26.9	6.9	4.3	.30	0.0	\$19 K	18.4
Pacific Division	\$437 M	29.4	4.9	14.6	1.0	11.4	0.0	0.0	N/A	6.4
NAVFACCO	\$137 M	51.4	8.1	10.7	12.2	4.2	1.1	0.0	\$14 M	5.2
NAVFAC Overall	\$2,683 M	37.4	8.0	18.0	4.6	5.1	.23	30.0	\$24 M	11.3

SB - Small Business
Colleges &

SBSA - Small Business Set Aside

Institutions

* HBCU/MI is percentage of total awards to Higher Education

SDB - Small Disadvantaged Business
Institutions.
Owned

WO - Woman Owned

HZ - Hub Zone

HBCU/MI - Historically Black

University and Minority

VET - Service Disabled Veteran

R&D - Research and Development



Small Business (SB) Program

- **Received an “A” for FY02 Program**
- **Awarded \$1.97B to SB in FY02**
- **Provided 23% of the Navy’s prime program**
- **Awarded \$1.47B in SB subcontracts**
- **Provided 56% of Navy’s subcontracting program**

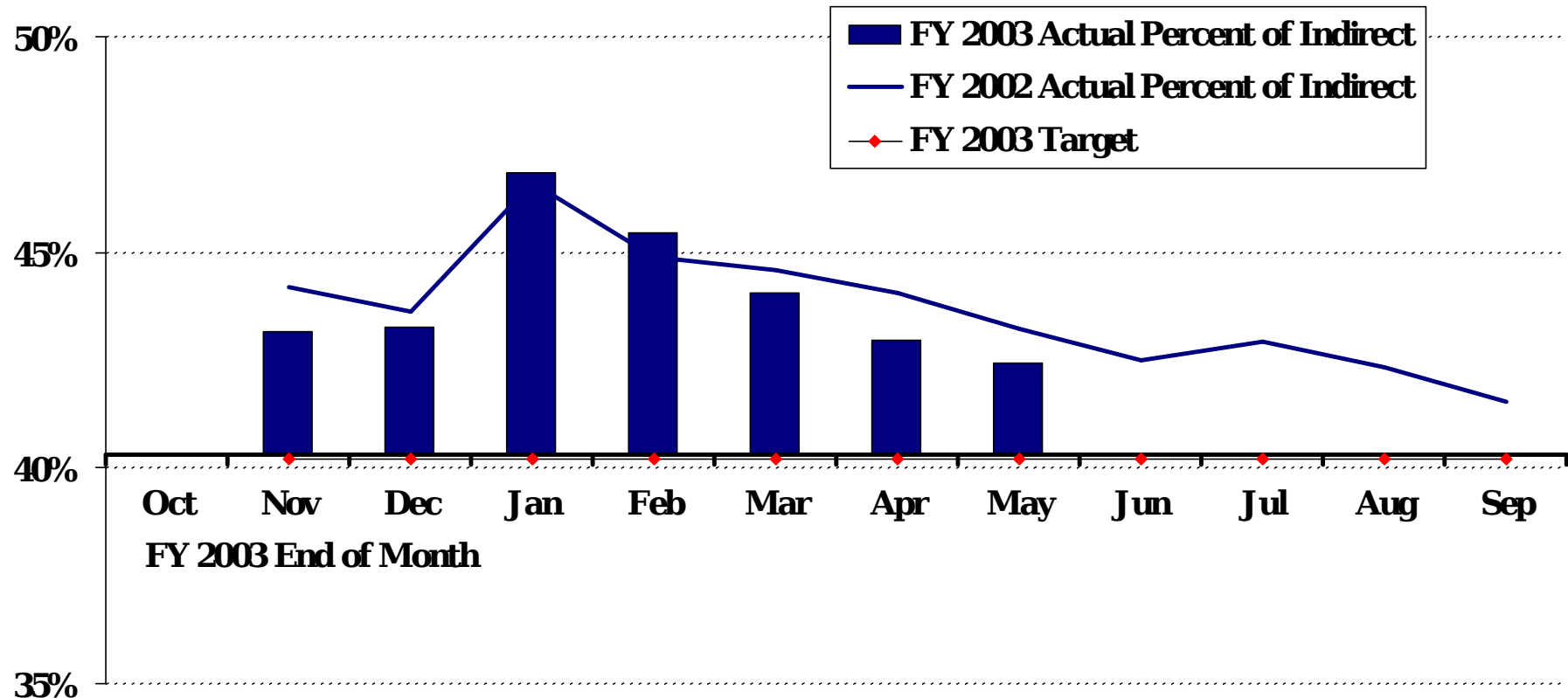




NAVFAC Operating Efficiency

Percent of Workhours Which are Indirect

Percentage of Indirect
Hours

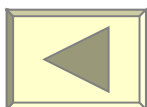
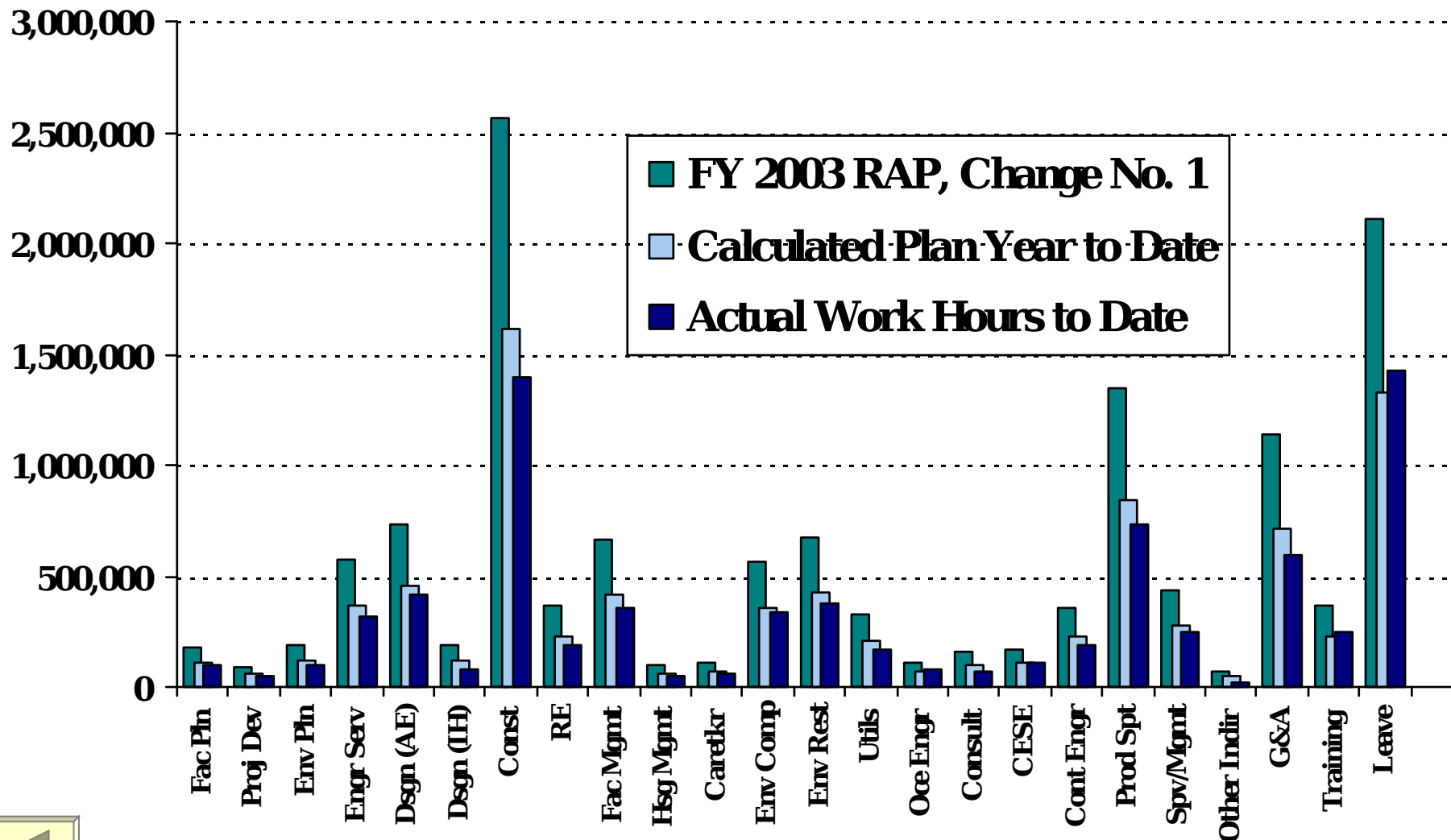


(Labor data as of 17 May 2003, support data as of 31 May 2003)



Effort Distribution

Work Hours

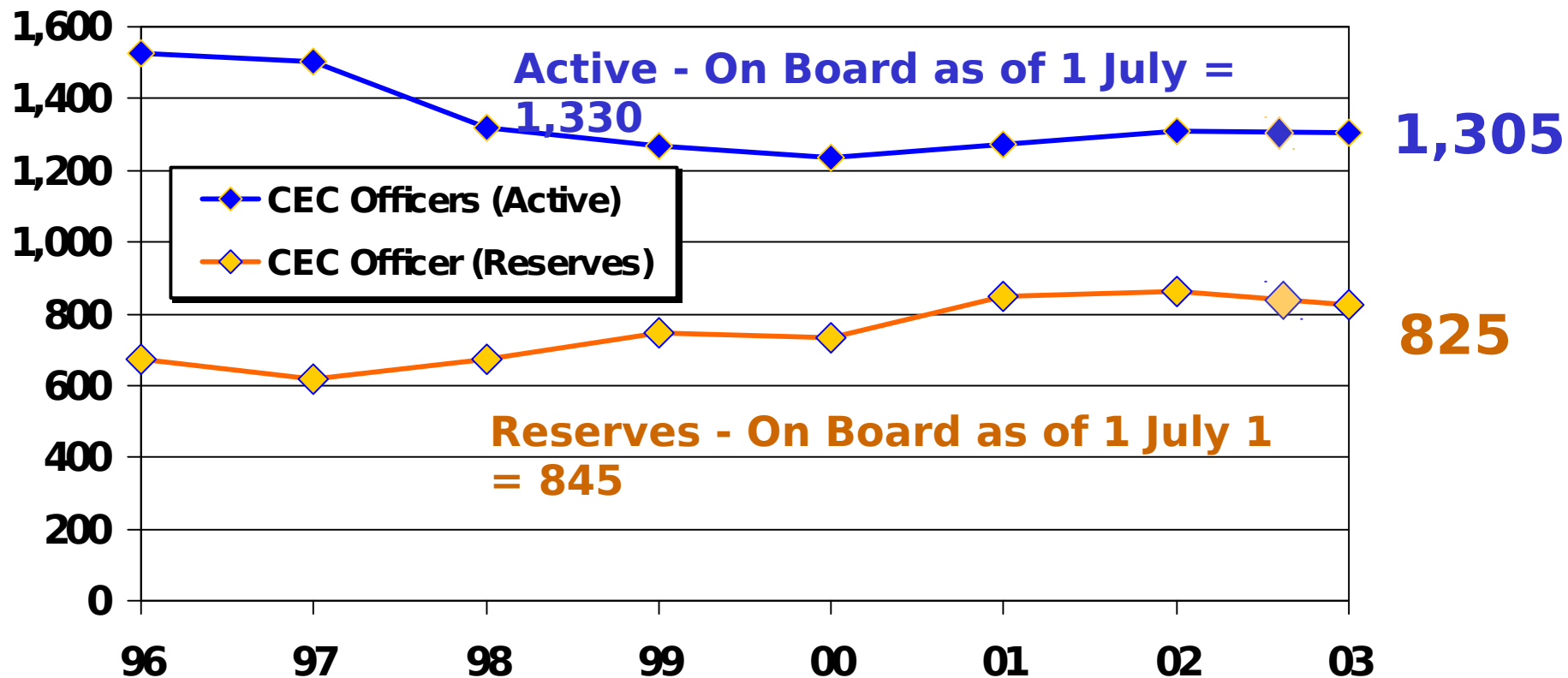


(Labor data as of 17 May 2003, support data as of 31 May 2003)



CEC Officer End Strength

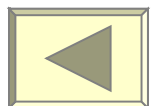
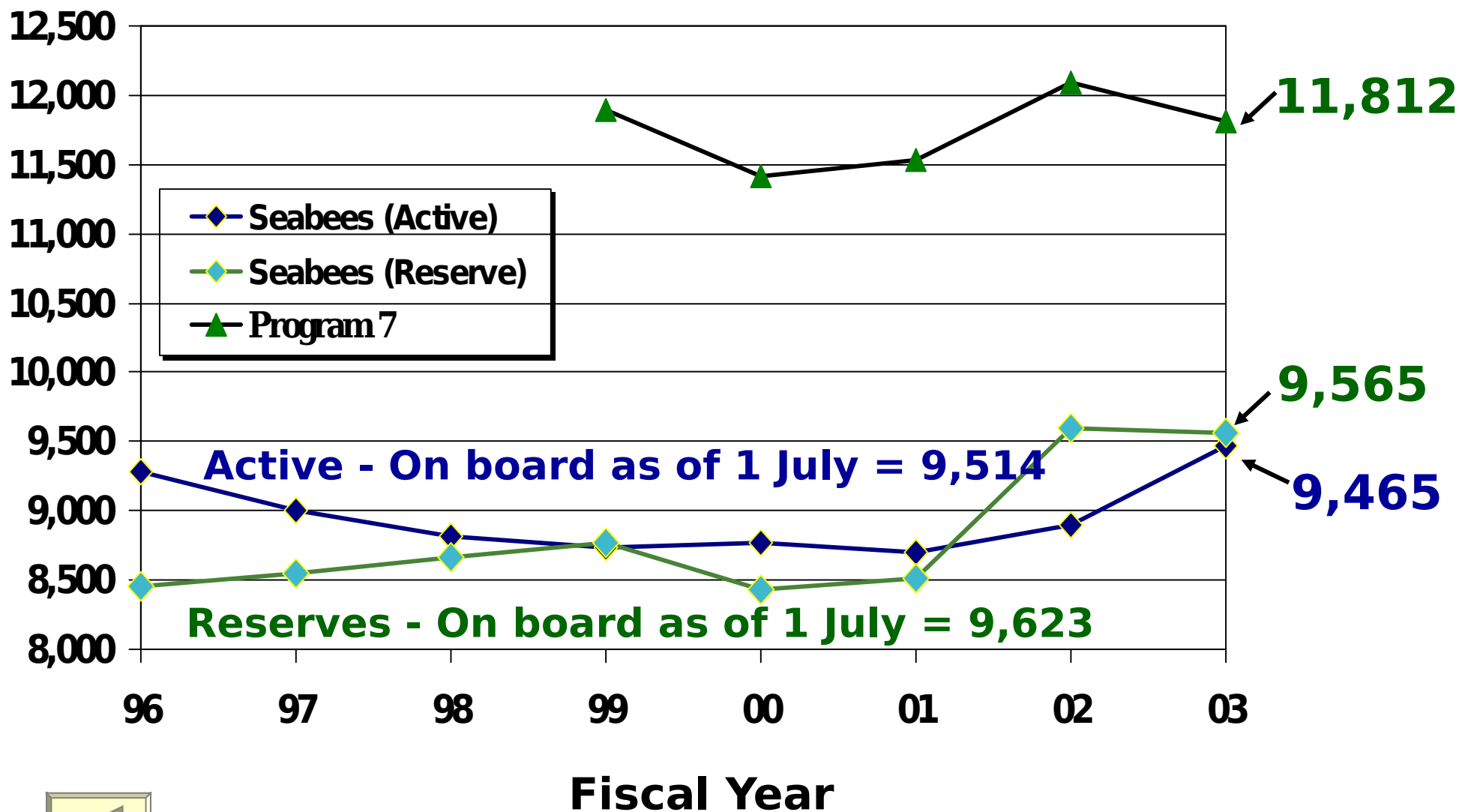
FY96 - FY03





Seabee End Strength

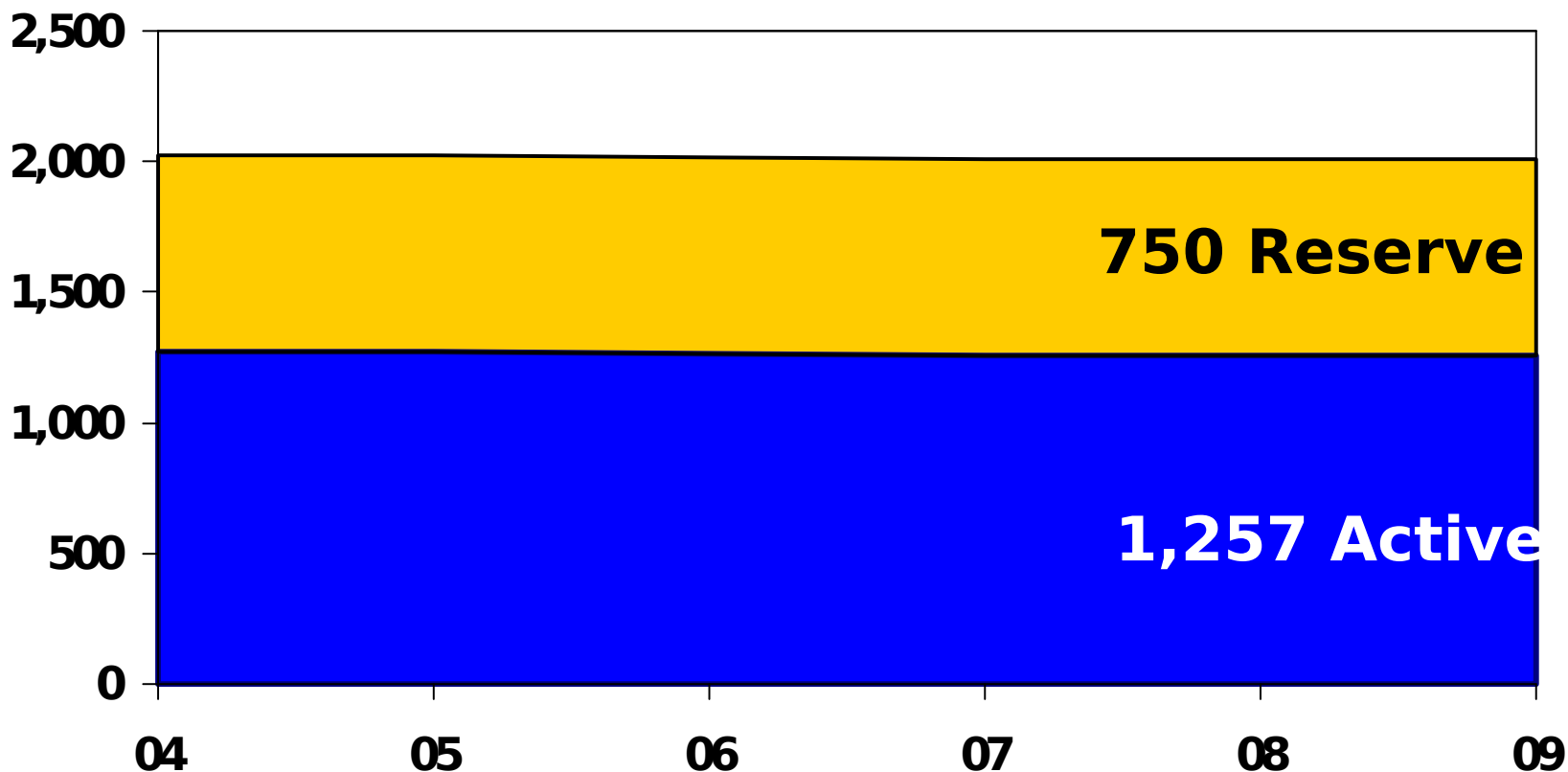
FY96 - FY03





CEC Officer OPA*

FY04 - FY09

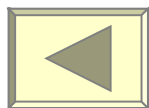
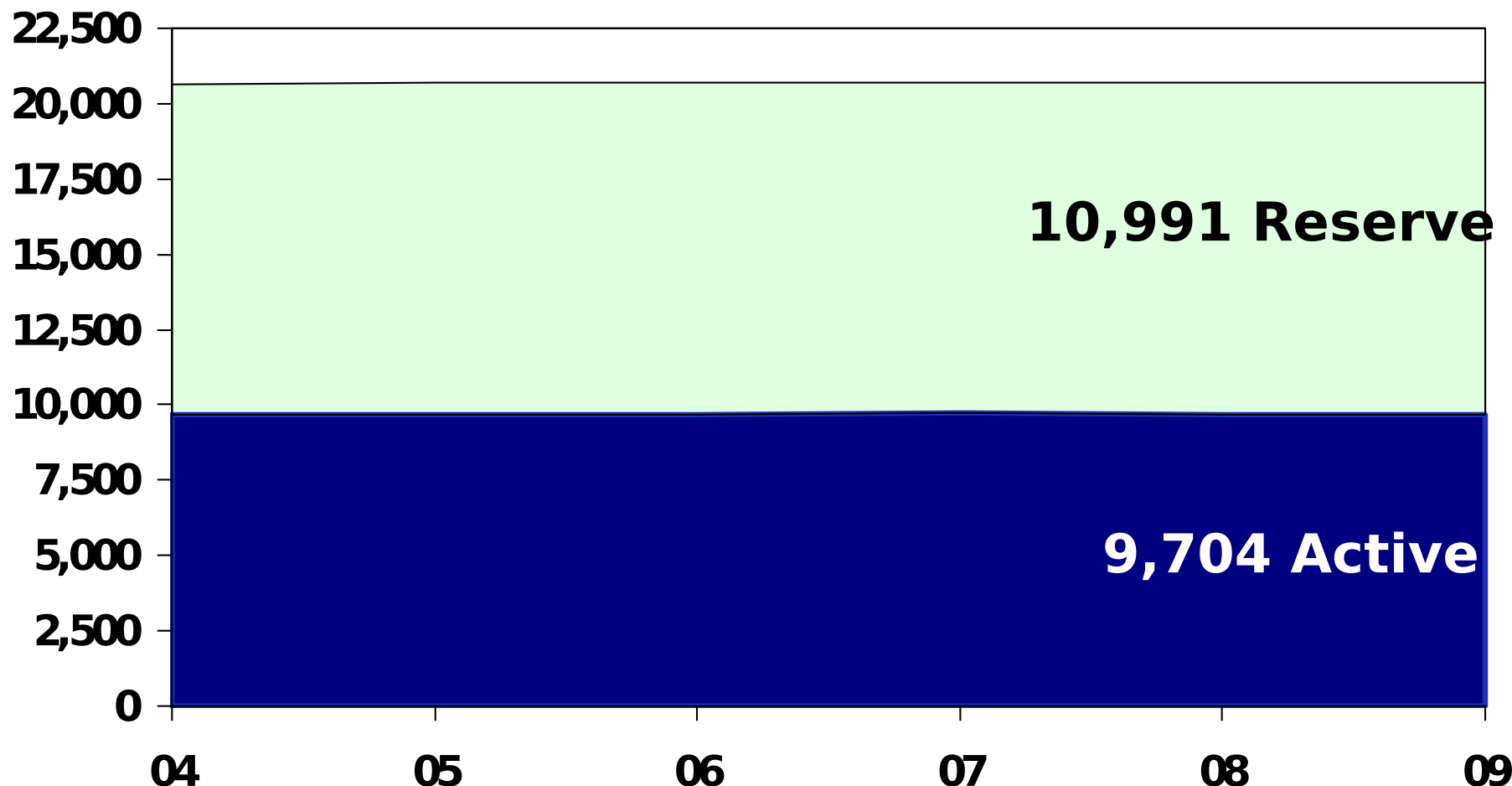


***Includes IA for AC**



Seabee EPA*

FY04 - FY09



*Includes IA for AC



Transformational Vision

Regional Facilities Support

How should NAVFAC and the CEC transform to better support the new Regional structure?

*Assumes 10 Regions
6 - CONUS
4 - OCONUS*

- **One combined NAVFAC Regional Facilities Engineering Command (RFEC) per Region**
 - Merge PWC and EFD/A into one command
 - Expand NWCF for PW support to entire Region
 - Actual number depends upon number of Navy Regions
- **Maximize utilization of current senior CEC billets within DoN**
- **Enhances field alignment/support to USMC installations**



What Does Transformation Achieve

Better Alignment

- **Aligns NAVFAC field structure with Region**
 - Improves accountability to Regional Commander
 - Simplifies command structure and relationships
- **Adheres to Title 10 executive agent responsibilities**

- **Eliminating flagpoles and combining commands result in estimated saving of 150-225 overhead FTEs (dependent on Regional structure)**

More Efficient

- **Expansion of NWCF for PW support would be a major step to ABC-M (Far East / Sea & Air Installations)**



Value of NAVFAC Regional Facilities Engineering Command (RFEC)

- **Supports surges and workload shifts from in-house to contract or privatization**
- **Promotes opportunity to expand NWCF PW support for the entire Region**
- **Improves technical competence, community management, and consistency of engineering/acquisition delivery**
- **Fosters interdependency and workload surges among RFECs**
- **Enhances support to USMC, other Services and DoD Agencies**
- **Maintains NAVFAC support to Regions for integrated requirements generation while preserving essential SYSCOM separation for work execution**



NAVFAC Transformation

CURRENT STATUS

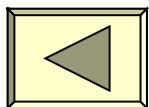
- Evaluating Fleet Civil Engineer role in CLF and CPF
- Developing template for Regional Facilities Engineering Command (RFEC)
- Conducting BCA for NWCF expansion to non-PWC supported installations
- Decommissioned OICC Naples--May 03
- Decommissioning EFA West and PWC Pensacola in FY04
- Realigning EFD/EFA AORs to match Navy Regional grids
- Moving forward with standing up a RFEC organization in Great Lakes and Japan (FY04) -- F&J being finalized

PROPOSED ACTIONS

- Merge PWC and EFA and establish one Regional Facilities Engineering Command per region
- Expand NWCF for Public Works support to entire region (subsequent to business case analysis)
- Maximize the use of CEC 06/05 billets

RISKS

- Eliminating Flag Poles reduces command opportunities
- Projected savings (\$20M) contingent upon reducing number of Regions to six CONUS
- Creates wide span of control in Fleet concentration areas...NORVA, San Diego, Pearl Harbor
- Personnel regulations restrict moving to right force quickly...may not capitalize on personnel efficiencies in timely fashion
- BRAC 05 cloud

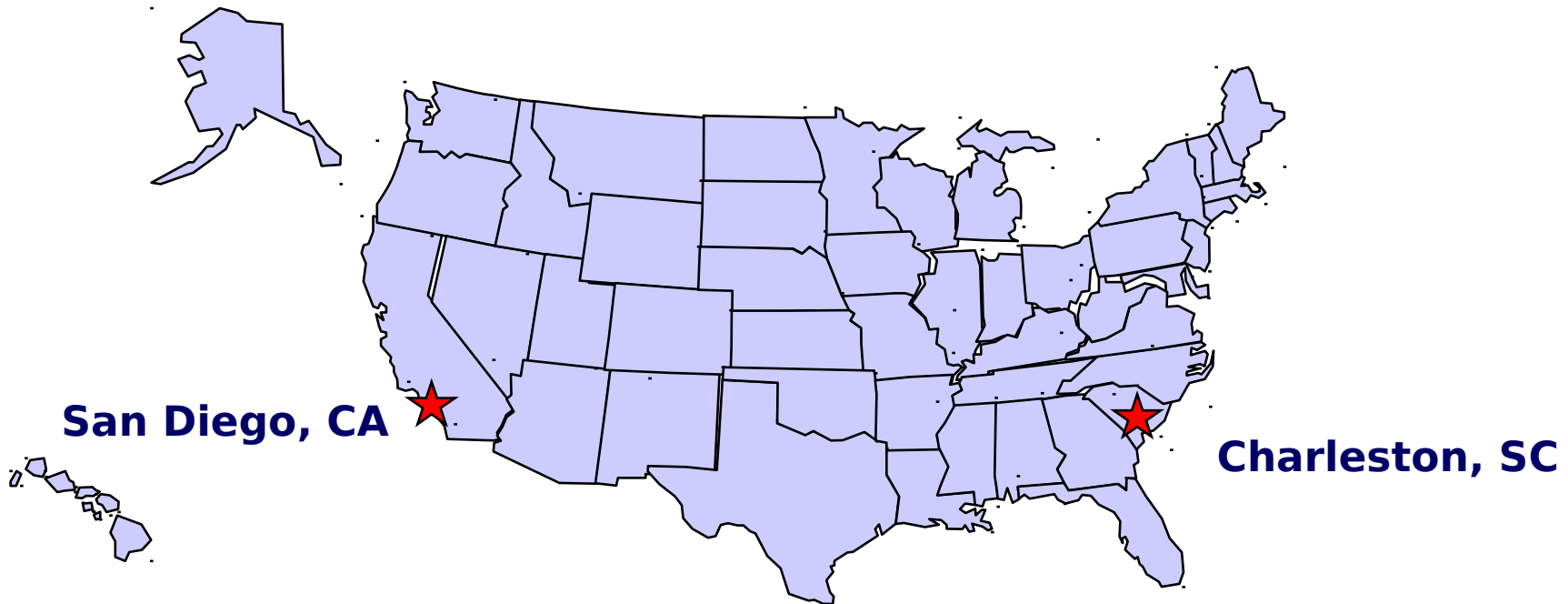


RESOURCE IMPLICATIONS

(\$M)	FY05	FY06	FY07	FY08	FY09
NAVFAC Field Commands					
Regional Alignment	20.0	21.0	22.0	23.0	24.0
Total	20.0	21.0	22.0	23.0	24.0
POM06					



Strategic Sourcing Centers Of Excellence

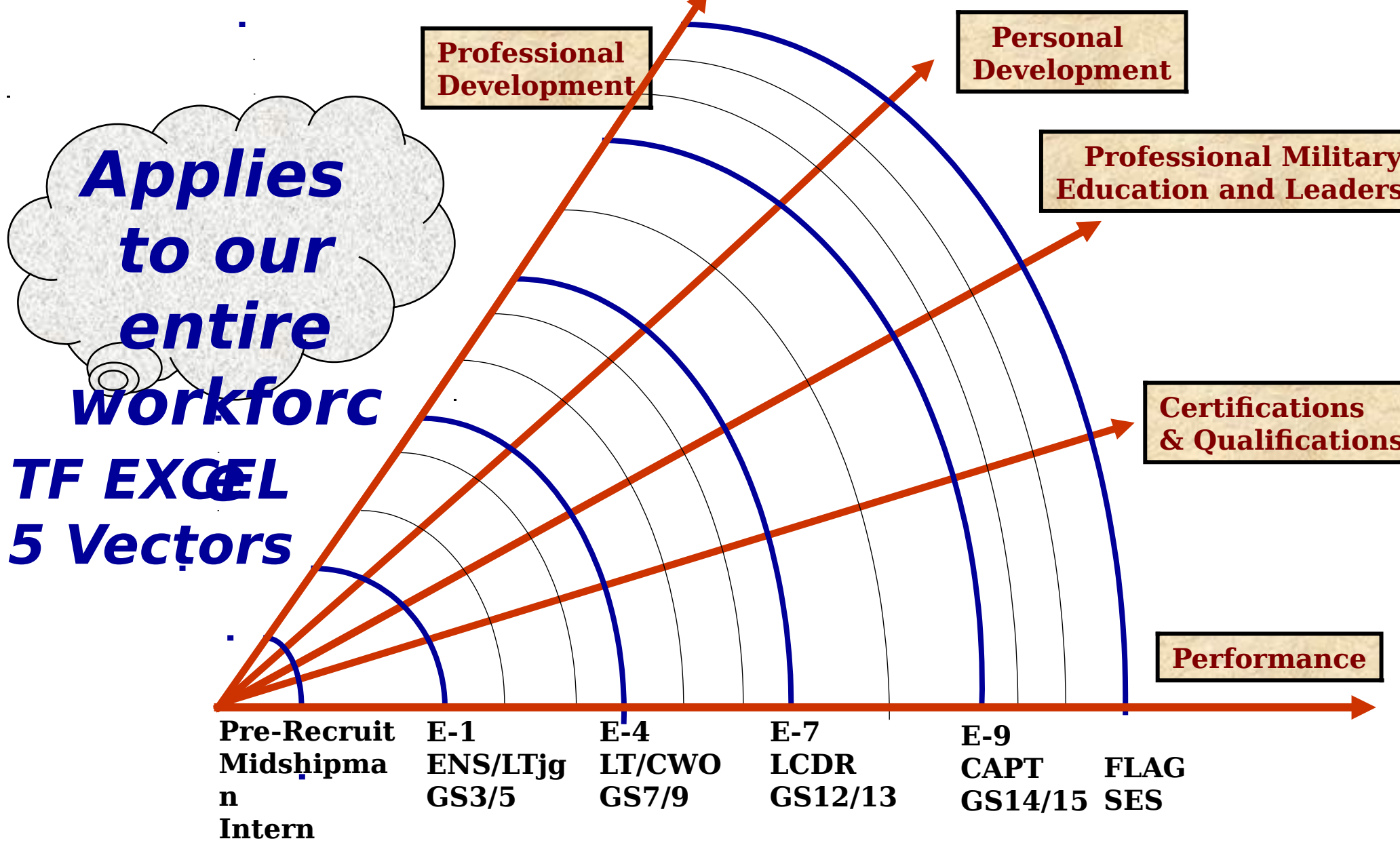


- SECNAV APR 18 memo allocated 45000 Navy and 3000 USMC positions to be studied over FYDP and designated the need to establish COE's.
- New OMB A-76 Guidance issued May 2003 w/significantly reduced timeline and new contracting officer responsibilities.
- COE's will ensure standard policies, practices and procedures across DoN while reducing the number of offices involved from 40 to 2.
- COE's will provide contracting support for all claimants increasing strategic sourcing program effectiveness, consistency, and efficiency while acknowledging claimant organizational and mission distinctions.



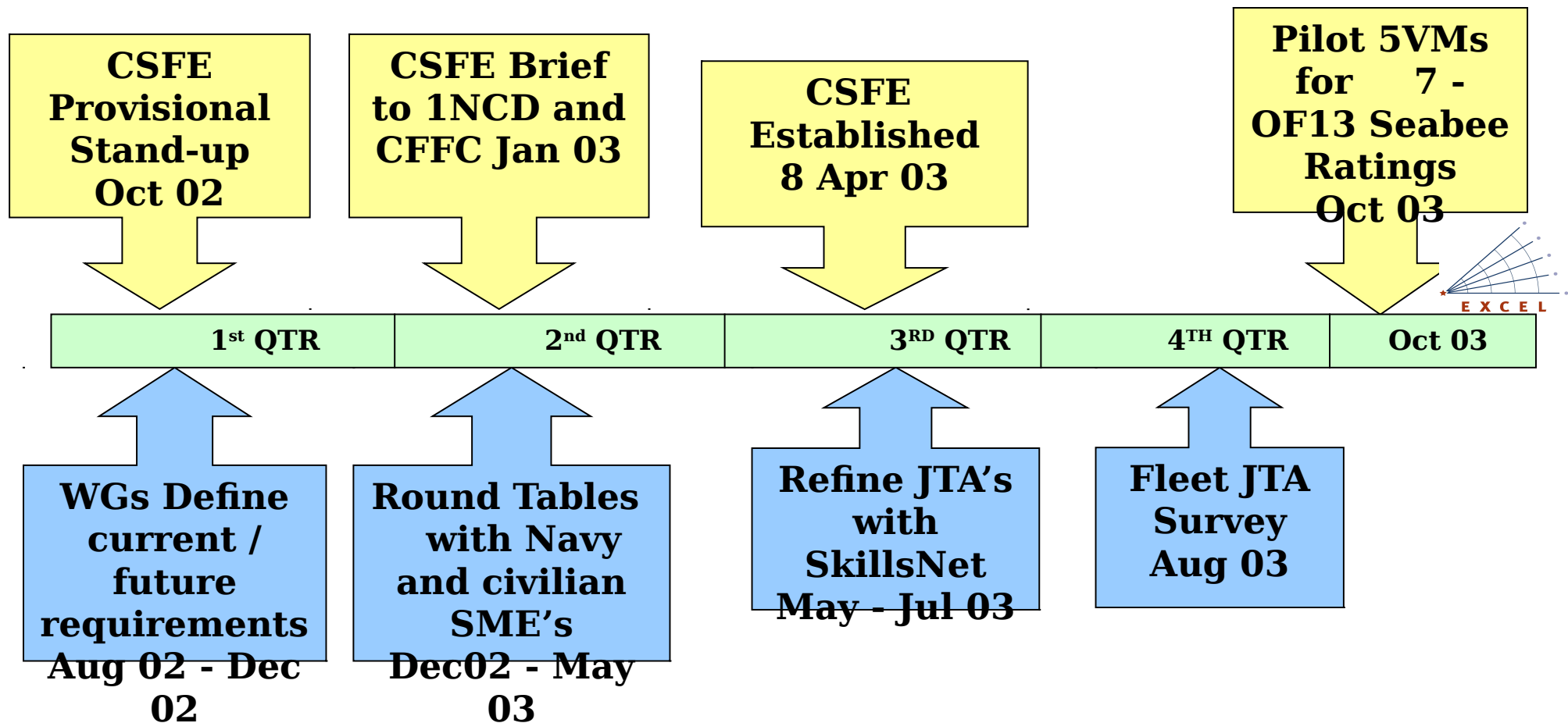


Personal Continuum





Seabees Task Force EXCEL



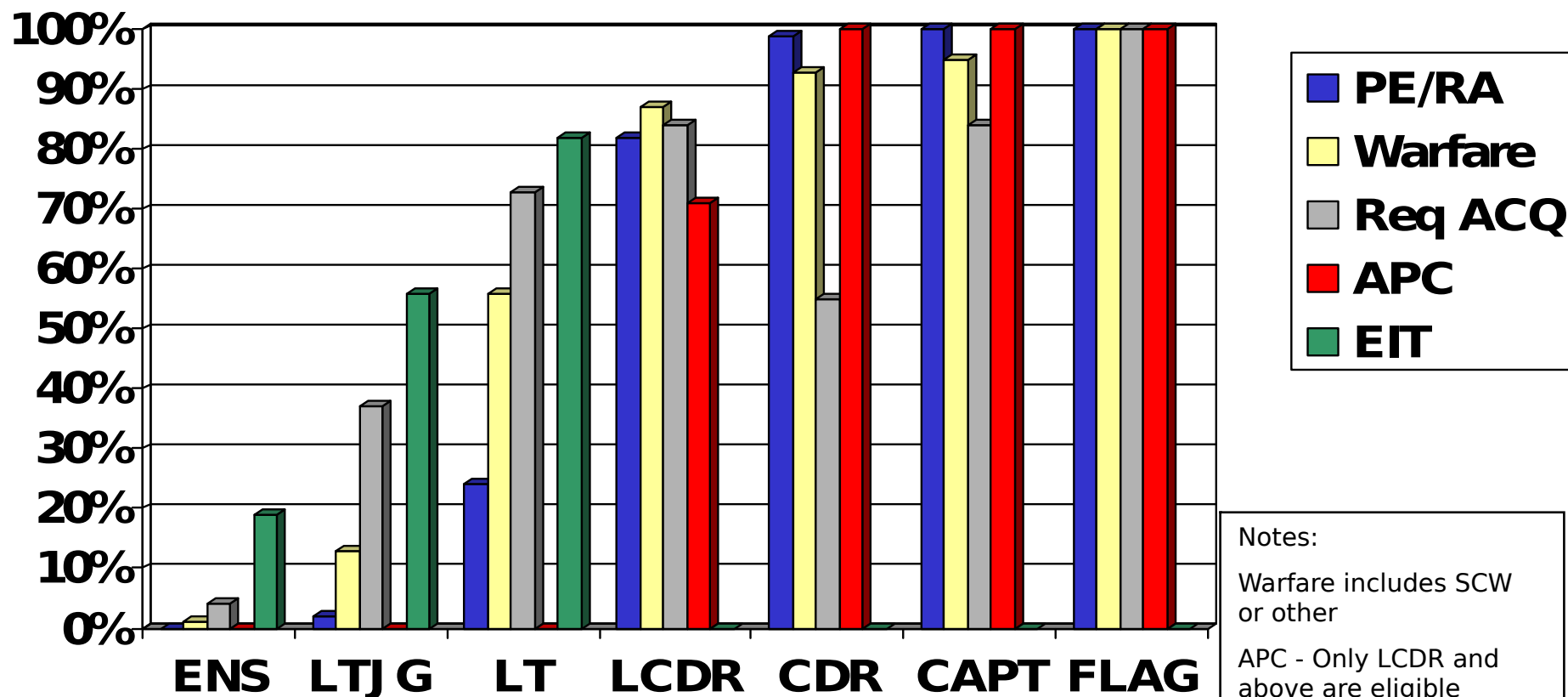
In Progress:

-Professional Dev. and Certs & Quals Vectors for 7 OF-13 ratings

-Eliminate redundancies between "A", "C", and "F" schools



CEC Qualification Data



Notes:

Warfare includes SCW or other

APC - Only LCDR and above are eligible

Required Acquisition Level:

Level III - CDRs and above

Level II - LCDRs

Level I - LTs and below



NAVFAC Community Management (CM)

- **Why is it necessary**
 - Key to maintaining NAVFAC core competencies
 - Shapes the workforce for the future
 - Balances recruitment and retention
 - Focuses on proper skill mix
 - Fosters technical and leadership growth
- **CM Plans developed for all NAVFAC communities (15) covering white and blue collar workforce**
 - Each Community led by a designated Community manager
- **NAVFAC Employee and Assessment Development System (NEADS) deployed**
 - Web-based
 - Allows for desk top personnel competency assessment
- **NAVFAC aligns with OPNAV N-11 communities and programs**



IVFAC Community Management Process and Status

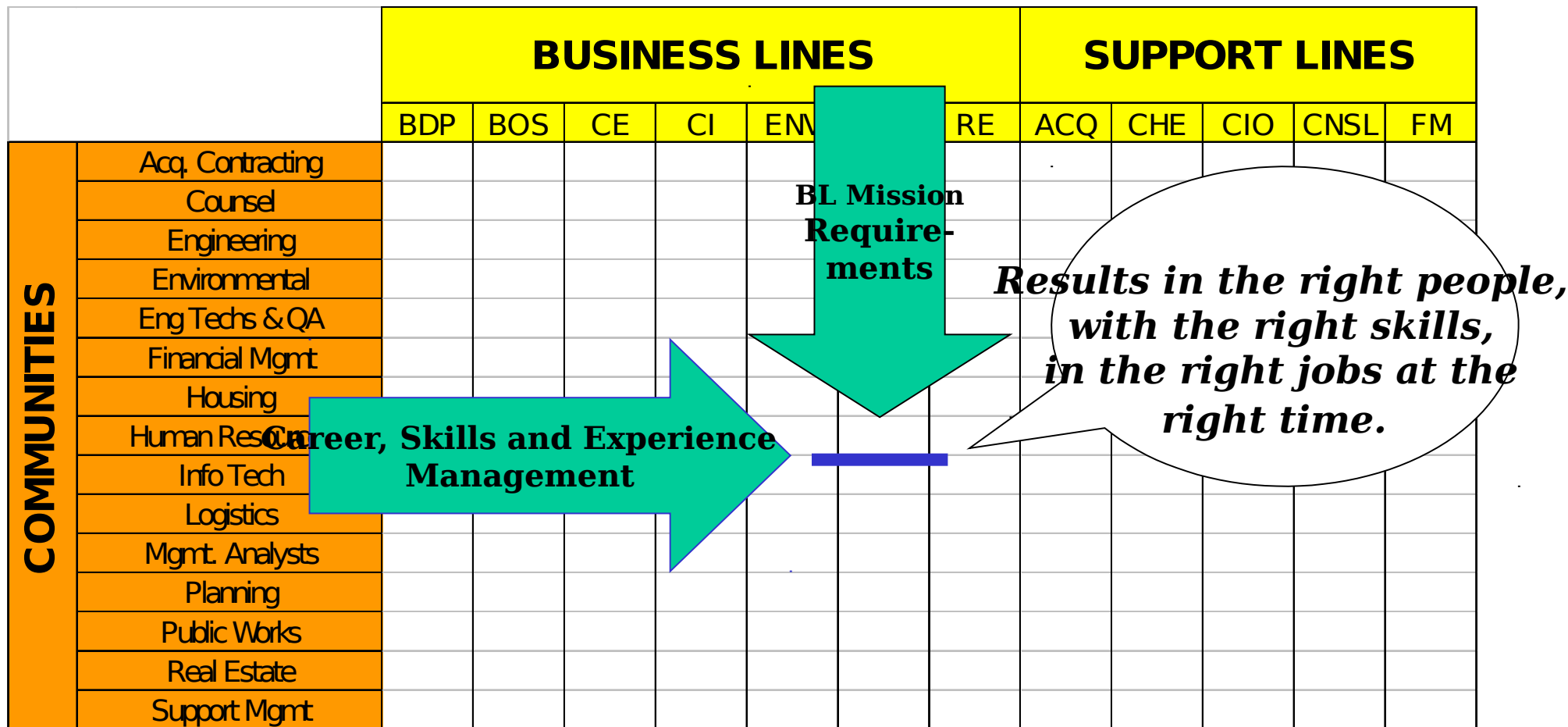


Enablers: NEADS; Workforce Shaping POAMs

Metrics: Execution; Strategic Plan; Chief’s Guidance to Leaders



Community Management is... Business Line Leader and Community Manager Integration

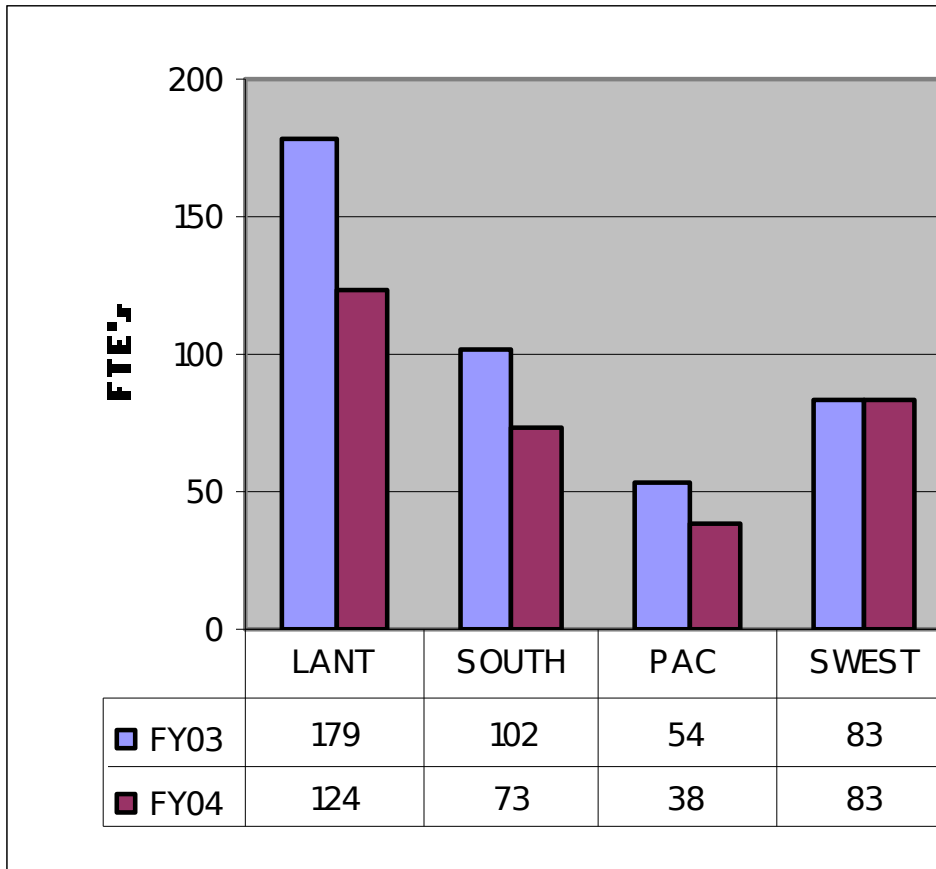


The Business Line Leaders and Community Managers use the CM Process to shape the workforce and develop the appropriate skills and succession mgmt policies and plans to support NAVFAC's mission.



Community Management

Workforce Shaping



- Strategic Plan states that NAVFAC will define, shape and train a global workforce in support of the business and support lines
- Workforce Shaping Plans align NAVFAC's workforce with its Strategic Plan and Business Line Plans
 - Transitions from Planning of Strategic Intent to Execution phase

Based on required changes in skill mix Business Line Leaders determined that the "Engineering Technician Quality Assurance" Community should decrease by 25% in FY04.



NAVFAC Facilities Team Survey (FacTS) 2003

Overall Response Rates

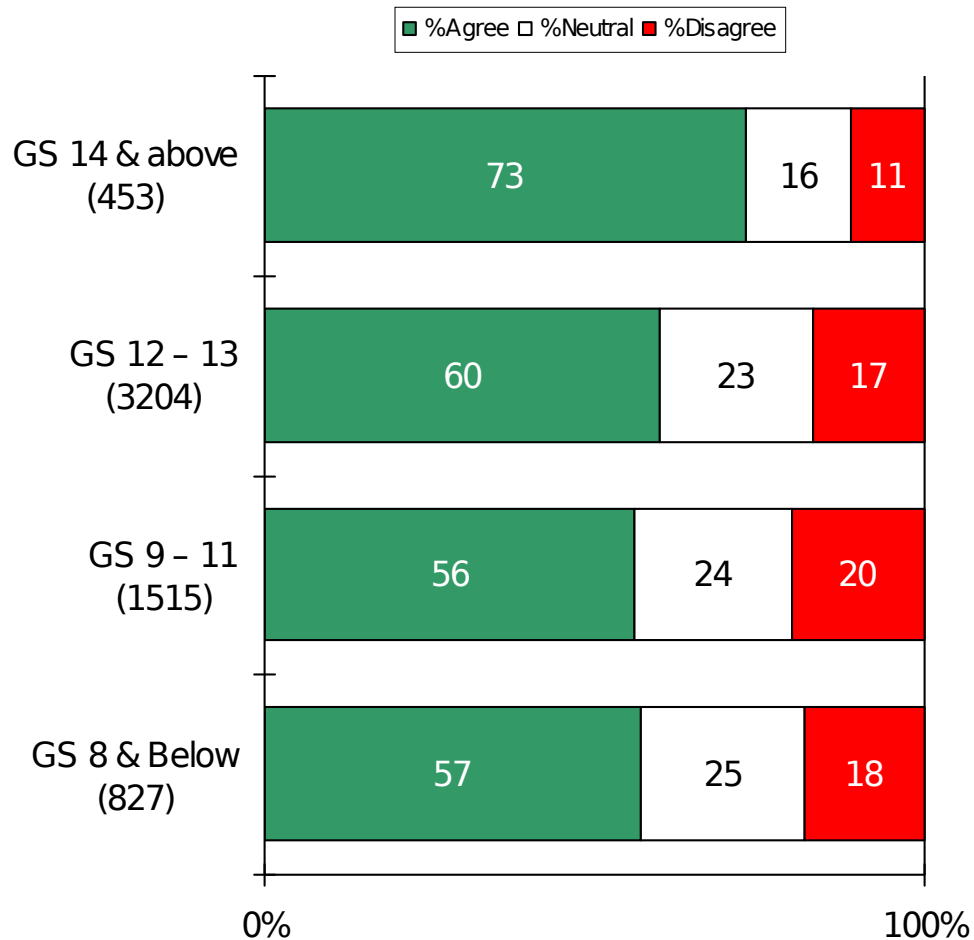
	#Surveys Sent	#Surveys Submitted	Response Rate
FacTS Workforce	14911	10247	69%
FacTS Client	3774	1799	48%
PMAP Workforce	2460	1924	78%
PMAP Client	3016	1520	50%
PMAP Leadership	104	98	94%

PMAP - Performance Measurement Assistance Program

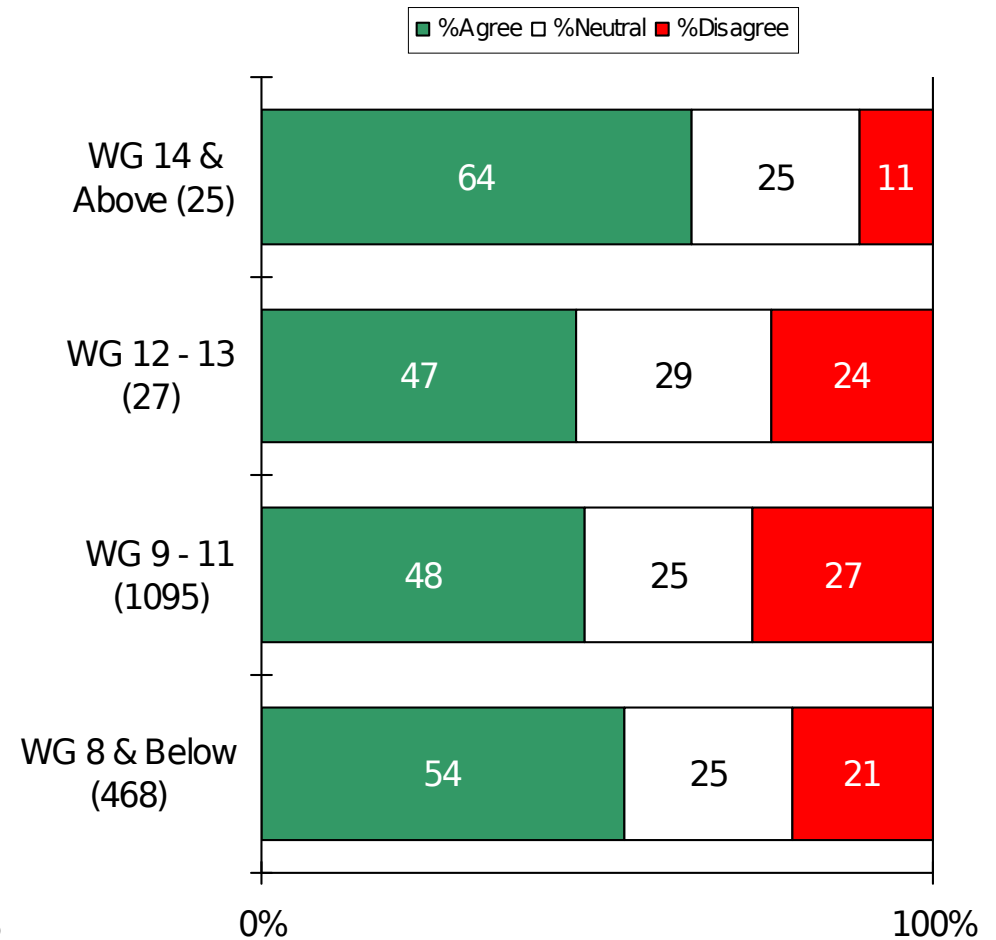


SES/GS and WG Employees by Pay Grade

ES/GS Employees

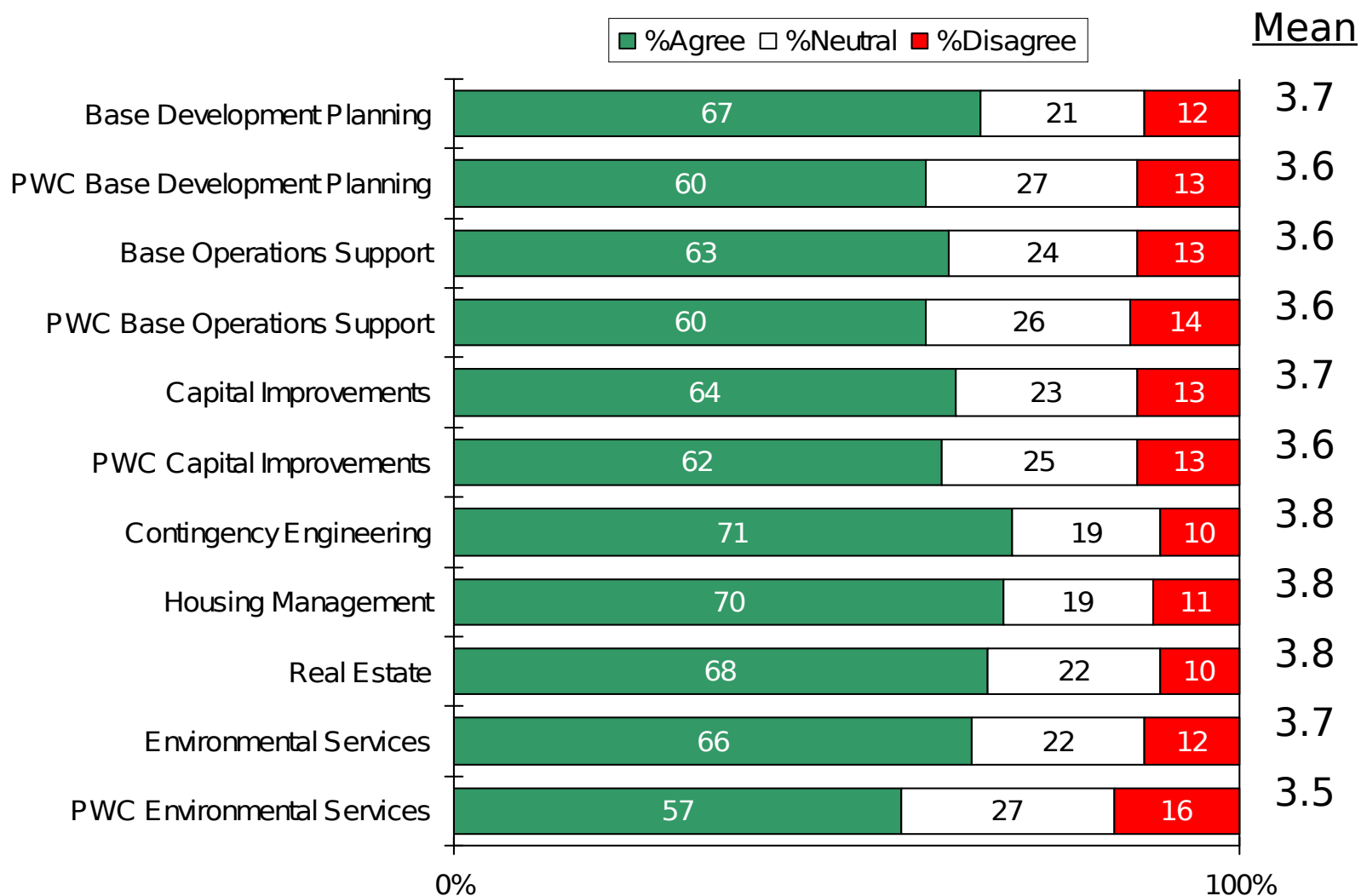


WG Employees





Client Results by Demographic - Business Line





Workforce Results by Demographics - Community

